No. 34.358

LONDON, TUESDAY, AUGUST 17, 1993

ESTABLISHED 1887

Underworld in Moscow: Gangsters Kill in Streets And Twist the Economy

By Celestine Bohlen

MOSCOW - At 2 o'clock on the afternoon of July 19, seven men with machine guns burst into an automobile showroom on Leninsky Prospekt and opened fire. Security guards shot back and four people died.

Two weeks later, in another midafternoon attack, gunmen leaped from a BMW in the center of the city and shot up a building killing four people before someone rolled a grenade under their getaway car.

Last week, in another afternoon attack, three people were killed by machine-gun fire in an office.

Moscow's gangsters, a brazen lot to begin with, have put their brutality on display this summer with a series of gangland-style hits right out of "The Untouchables." Nothing seems to faze them — not policemen, not public outrage, not even broad daylight. Innocent bystanders are given no consideration, last months a heart leaded in

ation. Last month, a bomb lodged in a garbage chute on the fourth floor of an apart-ment building exploded with such force that it severely wounded a woman at the trash chute on the 11th floor.

On the evening of July 20, three gunmen coolly carried out a hit against the assistant manager of a cafe on Malaya Bronnaya Street, after which they stopped at a sidewalk kiosk where, the police said, they had earlier been treated rudely. They killed the saleswoman and a bystander.

Crime has risen dramatically in Russia in

the last two years as the controls of the totalitarian state have fallen away and before the certainties of a law-abiding society have emerged to take their place.

Apartment break-ins, car thefts and muggings have become commonplace, to the shock and fright of a citizenry used to a calmer, more predictable life.

But in recent months the crime wave has taken on a new dimension: It is not only moreviolent but it is also more professional and more pervasive, reaching deep into the heart of the government and leading banks. It has also begin to blight development of es because entrepreneurs are

being frightened away.
The number of killings in Moscow has gone up sharply. There were 704 in the first seven months of this year, up from 462 in the

similar period last year.

Moscow is still behind U.S. levels of mander and violence. There seems 1.00%

New York last year, a city roughly compara-ble in size to Moscow. But the crime rate is far higher than in many other European cities.

"Moscow is being beaten from every side," said Vasili Kuptsov, deputy head of Moscow's police investigation department. "Moscow is like a boy who bows when he is being beaten. It is time to show our teeth."

Many Russian and Western business executives say the violence is only part of the picture, and not necessarily the most frightening part. They say crime and business have become interwoven in Russia to an alarming degree, starting with racketeering on the street level and ending with vast bribe-taking on the official level.

According to one recent official estimate, organized crime has managed to siphon off about \$500 million from the economy through embezziement, smuggling and bank fraud, including one last spring that reached into the top echelous of the central bank.

"The Moscow underworld is becoming more and more professional, and is merging, sometimes by legitimate means, with highly placed state and especially commercial spheres," said Yuri Shchekochikhin, a journalist for the weekly Literaturnaya Gazeta who has written extensively on crime.

Some of Moscow's best-known business executives, not long ago halled as the standard-bearers of "a new era," are now hightives, sought by the Russian police and prosecutors for defrauding the state or their partners or both.

Stories of extortion are legion. An officer at a new club for young business and political leaders was approached with a proposal for a "mutually beneficial arrangement" by a gang that warned its members knew not only who was in the club but also how much money they had in their bank accounts. According to several recent press reports,

extortionists are pressing now for a share in some businesses rather than just cash payoffs. "The story about the mafia is not just about crime, it's about economics," a Western diplomat said recently. There are a lot of people today who are just plain scared to go

'Mafia" is the word most Russians would use to attribute the wave of killings, and the police do not disagree, except to note that there is no single organization but rather dozens, even hundreds, of competing gangs,



SWEEP FOR CHINA - Yunxia Qu (137) on her way to the finish line and the gold medal in the women's 3,000-meter race at the World Athletics Championships in Stuttgart, ahead of Linli Zhang (144), who was second, and Lirong Zhang, in third place. Page 15.

U.S. Judge Upholds Sheikh's Deportation

WHITE PLAINS, New York - A judge Monday upbeid a deportation order against an Egyptian cleric, Sheikh Omar Abdel Rahman, turning down his request for political asylum in

the United States. The sheikh, some of whose followers have been charged in the February bombing of the World Trade Center in New York and in al-leged bomb plots against the United Nations and other New York landmarks, had gone to court to appeal a deportation order by the m and Naturalization Service.

The sheikh, who calls for the overthrow of the Egyptian government from his exile in Jersey City, New Jersey, was ordered deported in July for lying on his immigration papers.

Judge Charles L. Brieant of U.S. District

Court ruled that "there is no basis for disturb-ing" findings by an immigration judge and the Board of immigration Appeals that the 55-year-old blind cleric can be deported. He delayed deportation for 10 days to allow time for The ruling came on a day that policemen in

Düsseldorf overwhelmed the Egyptian hijacker of a KLM Royal Dutch airliner who had demanded the sheikh's freedom. In New York,

the sheikh's lawyer, Michael Warren, said the sheikh knew nothing about the hijacking and did not sanction it.

Sheikh Abdel Rahman has not been charged with any wrongdoing in either the trade center bombing or the other alleged plot. He has denounced the bombing and has denied any connection to the case.

He surrendered to federal authorities last month after the Justice Department revoked his permanent resident status on the ground that

he posed a "danger to the community."
Mr. Warren self Monday there was no legal basis for deportation. "This is yet another indication of how the political taint becomes an essential part of the judicial process and there-

pollutes that process," he said. In Düsseldorf, the police painted a picture Monday of an ill-prepared and disorganized crime. Commandos from Germany's elite GSG-9 unit stormed the Boeing 737 Monday at 2 A.M. The two crew members still on the plane, having reported that the hijacker had gone to the toilet, were climbing out of the cockpit on an escape rope.

The commandos overwhelmed the hijacker without a shot being fired. The man had threatened to blow up the aircraft, but he turned out

to be unarmed. He had previously released 131 passengers and five crew members. The arrest ended a 10%-hour drama during which the hijacker had set a Monday morning deadline for the United States to free Sheikh

Site JORG

Abdel Rahman. The police said his passport identified him as Khalid Abdelmounien Gharib, 40. Egypuan security sources said he was a building contractor and factory owner from Cairo. They said he had no criminal record apart from bouncing a few

checks, and was married, with several children. The man had havided the flight in Tunis. Half an hour before the scheduled landing in Amsterdam, he entered the cockpit and gave the captain a handwritten note in English, deanding that the plane be flown to New York.

But he did not realize the medium-haul Boeing 737 could not fly nonstop across the Atlantic. He then asked to go to Stockholm but later opted for Düsseldorf.

The behavior of the hijacker was certainly more than eccentric," said Ulf Steinke, leader of the operation that ended the hijacking. "It doesn't seem to have been something that he decided on when he was already on the plane, but it also doesn't seem to have been very thoroughly planned."

AT&T to Pay \$12.6 Billion To Acquire Cellular Firm

Offer for McCaw Joins Telephone Giant With Leader in Growth Area

> By Lawrence Malkin International Herald Tribune

NEW YORK - In a \$12.6 billion deal emphasizing the speed and extent of the world telecommunications revolution. America's largest telephone company announced Monday that it was taking over McCaw Cellular Com-munications Inc., the nation's biggest and most aggressive wireless network.

The merger of American Telephone & Telegraph and McCaw puts AT&T into the fastest growing segment of the industry and, analysis said, provides capital for cellular operations that its smaller new partner had found difficult to raise quickly enough.

The merger, which would be among the halfdozen largest in corporate history, must be approved by federal regulators. At its planned completion next year, it is to be accomplished by a 1-for-1 swap of stock between the two

On Wall Street, AT&T's stock fell more than \$1, reflecting questions about whether it would be able to recoup the merger's price in growth. McCaw's stock rose more than \$4, representing something of a rescue for stockholders in a company that has seen sales increase more than 10-fold in six years but has posted losses in five

of those years.

Last year, McCaw's revenue totaled \$1.92 billion; AT&T's was \$64.9 billion.

The deal also provides unexpected capital for British Telecommunications, which took a 17 percent stake in McCaw to gain access to the American cellular market, BT would end up with a 2 percent stake in AT&T, valued at \$2.2 billion at the current stock price. A spokesman in London said it planned to get rid of the shares over time.

Unlike most other mergers, takeovers and restructuring in recent years, this one is not to result in job losses at either company, the AT&T chairman, Robert E. Allen, said at a news conference. He predicted it would lead to expansion of the merged company as AT&T

roloits and markets wireless technology. Craig O. McCaw, a 43-year-old communica tions visionary who took over his family's cable TV company as soon as he graduated from college in 1973 and who went into paging and mobile telephones a year later, negotiated a strategic alliance with AT&T in November 1991. The full memory supersonance of the content of the 1992. The full merger was ag day evening at a meeting with Mr. Allen, who had just returned from China.

At the news conference, Mr. McCaw never quite explained why a full merger had been considered necessary. He insisted that it was not for lack of financing to continue his company's expansion in the more than 100 cities it serves in the United States and Canada. It was. he said, "to make dreams happen." Mr. Allen, a lifetime corporate veteran of the

See DEAL, Page 11

Tentative Sarajevo Accord

Compiled by Our Staff From Dispatches

GENEVA — Leaders of Bosnia's warring factions agreed in principle Monday that Sarajevo should be placed under temporary United Nations administration and demilitarized after a final political settlement is reached to end their 16-month war, a UN spokesman said.

The agreement, seen as a major breakthrough for the international mediators, Lord Owen and Thorvald Stokenberg, came just hours after Bosnia's Serbian, Croatian and Muslim leaders sat down face to face for the first time in two

Under the agreement, to be completed by a mixed three strong committee, Sarajevo would become virtually an open city outside any of the three ethnic ministates being negotiated in Ge-

John Mills, a spokesman for the peace con-ference on former Yugoslavia, said the three parties had set up a committee of Muslim, Serbian and Croatian representatives to make recommendations about the future status of

The agreement would cover a large area around the capital including strategic hills and suburbs from which Serbs have shelled the city for months. If the envisaged agreement is car-ned through, it would lift the siege of Sarajevo.

The only part not covered is Pale, the Bosnian Serb headquarters outside the city, which would be part of the planned future Serbian

"We are not talking about a final agreement here." Mr. Mills cautioned. "The devil is in the detail. The details are what will be worked out by the committee. We are talking about an agreement in principle."

Mr. Mills said President Alija Izetbegovic of Bosnia would talk again Tuesday with Radovan Karadzic, the leader of the rebel Serbs, and the Bosnian Croat leader, Mate Boban, on the borders of three ethnically based republics en-

the Muslim-populated enclaves in eastern Bos-See BOSNIA, Page 6

hood, and their very existence, threatened. The villain creeping relentlessly into middle-class

homes is the automatic washing machine.

are not getting the good clothes to wash."

2 in Opposition Disqualified in visaged in the Bosmian peace package. The negotiations would include the fate of the Marking peace package as the Marking peace package. Singapore Race

Compiled by Our Staff From Dispatche SINGAPORE — A government commission on Monday disqualified the only opposition ligures who had applied to run in Singapore's first direct election for president.

The Presidential Election Committee, which must approve all prospective candidates for the Aug. 28 election, said it had rejected applications from Joshua B. Jeyaretnam, a leading opposition politician, and Tan Soo Phuan, a fellow member of the Workers Party. The competent said the control to the state of the control to the state of the control to the state of the state mittee said the two were unfit "in regard to whose services have been as central to life as integrity, good character and reputation," and failed to meet other requirements related to those of its farmers, politicians, and priests.

But modernity is intruding on tradition, and for the first time, India's dhobis see their liveli-

The ruling came as no surprise to Mr. Jeyar-emam, who said last week, "I don't think they will take the risk of letting me run."

Mr. Jeyaretnam, 66, is a former District Court judge and registrar of the Supreme Court, He was secretary-general of the Workers "It's affecting our business," said Shahid Ahmed, fingering his dirty, tom T-shirt. "Some of the work we do in three or six days, that machine does in one hour. Because of that, we Party and in 1981 became the first member of an opposition party to win election to Parliament, ending an absolute monopoly of the Peoples' Action Party.

While the election committee turned down Mr. Jeyaretnam and Mr. Tan, it approved the candidacies of Ong Teng Cheong, who resigned as deputy prime minister to run for president, and Chua Kim Yeow, a former government official. Specifications for the presidential candidates specifications for the presidential candidates. didates are such that only senior members of the establishment qualify.

Mr. Ong. 57, who was secretary-general of the pro-government National Trades Union Congress, is widely expected to win the election with the support of the Peoples' Action Party, which has been in power since independence in 1965. He faces only token competition from Mr. Chua, a retired civil servant and banker, who said he was urged to run just for the sake of having a contest.

Mr. Chua served for 18 years as accountantgeneral, and later became president of Development Bank of Singapore.

The term of the current president, Wee Kim Wee, expires Sept. 1. Mr. Wee, 77, a former diplomat and journalist, was appointed by Parhament in 1985 to perform mostly ceremonial duties, as the office was then defined.

Under a constitutional change approved in 1991, the next elected president will have wider powers, including the authority to oversee budgets, financial assets, senior government appointments, security and religious affairs.



TAIPEI TROUBLES — A dissident shouting protests against Taiwan's president, Lee Teng-bui, during a rightist demonstration Monday outside the 14th national congress of the Knomintang, Taiwan's ruling party. A companion waved off the security police.

Antebellum Bonds — Worth a Gamble?

By Erik Ipsen International Herald Tribune

LONDON -- After more than a century and a half of pleading petitioning suing and waiting the latest generation of bondholders involved in what appears to be the world's longest-running sovereign debt crisis may be on the brink of victory. And then again, maybe they stand nowhere near it.

Last month, a group of British owners of the bonds of two long-defunct banks in Mississippi filed suit in the state capital, Jackson. They are seeking \$13.8 million, including 152 years' sim-

ple interest, for the hundreds of tattered statebacked bonds with a face value of \$1.5 million that they hold.

"I've always been fascinated with the fact that Mississippi, part of the greatest capitalist station in the world, was in default," said David

Barry, a businessman from Guernsey who founded the European Association of Mississippi Bondholders two years ago.

If Mr. Barry and his group of 14 bondholders ultimately fail, they will be in august company. William Wordsworth, Ulysses S. Grant and the government of Monaco are among the many

who over the decades have tried and failed to wrest what they have insisted is their due from the coffers of Mississippi.

Their goal is payment on some of the \$7 million of bonds issued by the Mississippi Planters' Bank and the Mississippi Union Bank in the 1830s and sold largely to investors in the United Kingdom, then the world's reigning power. And what gives them hope is an infusion of riverboat-gambling proceeds into Mississip-

Paul Seabrook, a 53-year-old London stock-See BONDS, Page 6

India's Dying Livelihood **Machines Threaten Launderer Caste**

By Edward A. Gargan New York Times Service

NEW DELHI - When Mark Twain stumbled into fadia late last century, he looked around a bit and concluded, in his memoir, "Following the Equator," that Indians were people who break rocks with their clothes. Today, from India's southern tip to the foot-

hills of the Himalayas, there are still men and

women virtually everywhere who beat clothing against rocks, driving dirt from saris and land ijamas by brute force. They are India's dhobes, its washermen and

At suprise, thousands upon thousands of dhobis gather along the mud flats of the Ya-

See DHOBL Page 2

women, untouchable ouncastes who have been despised and shumed by other Indians, but

Kiosk Dollar Drops as Hopes for Rate Rise Evaporate

The dollar closed sharply lower on Mon-Board might raise interest rates seemed to day, after dealers traded the U.S. currency have evaporated, analysis said. have evaporated, analysts said.

They pointed out that the U.S. economy showed little strength and no signs of inflation. Some traders speculated that the Fedfor higher yielding European currencies and the yen continued its rise. In New York, the dollar fell to 1,6869 Deutsche marks from 1,7123 late Friday, and it slumped to 101.575 yen from 101.900.

No more political payoffs, Japan business executives now yow. The Pope's U.S. trip: Some argue it was more pastoral than political. Page 3:

Expectations that the Federal Reserve

Business/Finance VW managed to make a profit in July and suggested it had named the corner. Page 9.

eral Reserve's policy-making arm might lower interest rates on Tuesday to bolster the economy. (Page 9) Trib Index

| 3,579.15 | | 107.53 |
|------------|------------|--|
| The Dollar | | Maria Continue de la |
| New York | Mon. close | provious dos |
| DM | 1,6869 | 1.712 |
| Pound | 1,4895 | 1,458 |
| Yen | 101,575 | 101.9 |
| FF | 5.9905 | 6.058 |

Murder Case Puts Heat on Nigeria's Pop Star-Dissident

By Kenneth B. Noble

New York Times Service LAGOS - About the only facts on which all sides in the case agree is that the body of a man was found here in January. not far from the house of Fela Anikulapo-Kuti, Nigeria's most popular musician and an outspoken critic of the military govern-

Fela, as the 54-year-old singer and saxophonist is known, has been arrested, charged with murder and released on bond. He denies any involvement in the killing, and he calls the charges ludicrous and politically motivated.

"These people aren't serious," he said.
"It's just another one of their ploys to trap

"They make things up," Fela said at his home in his usual interview attire — bikini underwear. "They'll try anything to get

The question of his guilt or innocence is not likely to be resolved soon. His lawyer, Femi Falana, was arrested

last month and charged with sedition, an offense that carries the death penalty. So too, has Beko Ransome-Kuti, Fela's younger brother, a doctor and former chairman brought Nigeria's largest cities to a stand-to power in a coup. Fela was released. Up to Aug. 27, the date General Babangida still with three days of civil disobedience, ending Saturday, to protest the government's decision to annul presidential electrons. The date General Babangida stands are provided in a coup. Fela was released. Up to Aug. 27, the date General Babangida stands are provided in a coup. Fela was released. Up to Aug. 27, the date General Babangida stands are provided in a coup. Fela was released. It is provide of the local medical society who is among the musician's closest advisers.

About the same time, Gani Fawehinmi, another lawyer and a prominent civil rights advocate who has often advised Fela, was also arrested for sedition and held without bail. Even Fela's wife, Fehintola, was arrested last week in a roundup of dissidents, although she was released the next day.

What members of Fela's large extended family - which includes relatives by blood yers, accountants, musicians and politi-cians — have in common is their vocal of her injuries the next year. opposition to the military government.

Many of them are leaders in the Camhas emerged as the leading opposition to the rule of General Ibrahim Babangida.

It was the Campaign for Democracy that line 1985, when General Babangida came

ger brother, a doctor and former chairman ment's decision to annul presidential elections held in June.

The soldiers who have governed black Africa's most populous country for 24 of the 33 years since it gained independence from Britain have made no secret of their distaste for Fela or his colleagues.

Fela's former communal compound. called the kalakuta, was raided a number of times, most notably in 1977, when soldiers destroyed the building and threw his 77year-old mother out of a second-story winand marriage and an assortment of law- dow. Funmilayo Ransome-Kuti, a prominent campaigner for women's rights, died

Fela, who has been imprisoned many times, was arrested in 1984 at the Lagos paign for Democracy, a coalition of about airport on his way to the United States for 40 trade unions and civil rights groups that a concert tour. Convicted of exporting for-

of Fela's brothers, Olikoye Ransome-Kuti, was minister of health.

Then came the death of Adesanwo Shokoya. According to the authorities, Mr. Shokoya, was a technician with Egypt 80, Fela's band. Last January some band members accused Mr. Shokoya of embezzling money, and Fela ordered that he be punished, the police testified in court. He reportedly died from blows he received from two men who whipped him until he collapsed, the police said.

No one has accused Fela of witnessing the incident or being near the scene, but he was later arrested and charged with conspiracy and murder. As many Nigerians see it, the case is being used by the authorities as a way of getting back at Fela, his brother Beko and other dissidents.

The Campaign for Democracy plans another general protest for the period leading

emphasized that he is no admirer of Fela or his music, "He's being punished not for what he's done, but for who he is."

■ Speech Postponed

General Bahangida postponed a speech to the National Assembly on the country's political crisis on Monday, Reuters reported from Lagos. He is to address the assembly on Tuesday, his 52d birthday. Also on Monday, the government issued

a decree making permanent the closing of two newspapers shut last month, including one owned by Moshood Abiola, who is widely believed to have won the annulled presidential election

Lagos returned to normal after the stayat-home protest against military rule. Bus-es were back on the roads and commuters went to work in banks, shops and factories that had been shut during the protest.

WORLD BRIEFS

Israel to Let U.S. Press North Korea On Halting Missile Sales to Mideast

IERUSALEM (Reuters) — Israel said Monday it was suspending contacts with North Korea aimed at halting arms supplies to Iran and Syria. The Foreign Ministry said Israel expected the United States to work to end Pyongyang's missile sales.
"The contacts with North Korea will be suspended at this point to

enable the U.S. to act on this," the ministry said in a statement. Israel, which has no formal ties with Pyongyang, began contacts this year to try to stop the sale of missiles to the Jewish state's enemies. Prime Minister Yitzhak Rabin said Sunday that Russian planes carried

Scud-C ballistic missiles from North Korea to Syria last week. The missiles might have been shipped on to Iran, he said, adding: "The arms

Foreign Minister Shimon Peres said Monday that Israel would like the United States to lead the effort to halt the arms shipments. "Israel would support very much the leading role of the U.S. to limit the dangers which are coming from North Korea concerning the supply of missiles and concerning the production of the nuclear option," he said.

U.S. Says Suspect Ship Is Near Iran

MUSCAT, Oman (AP) — A Chinese freighter suspected of trying to smuggle banned chemical-weapons components to the Iranians has dropped anchor in international waters near Iran, the U.S. Navy said Monday.

U.S. warships have shadowed the Chinese vessel for nearly two weeks as it dodged in and out of Iran's territorial waters in the eastern part of

the Strait of Hormuz The United States suspects that the freighter has a cargo of chemical agents used to make mustard gas and nerve gas and has asked to inspect its cargo. China has refused and has denied that the ship has anything illegal on board or that it is bound for Iran.

Lawmakers Reject Rafsanjani Choice 🖇

TEHRAN (Reuters) - The Iranian parliament dismissed the economy and finance minister. Mohsen Nourbakhch, in a vote on a new cabinet

Monday, dealing a blow to President Hashemi Rafsanjani.

Deputies of the Majlis approved the other 22 ministers but rebuffed Mr. Rafsanjani, who made a point of praising the U.S.-educated Mr. Nourbakhch as an architect of Iran's free-market reforms in the debate. Foreign Minister Ali Akbar Velayati and all of the six newcomers to the cabinet, including Interior Minister Ali Besharati and Defense Minister Mohammed Forouzandeh, were approved. Mr. Rafsanjani. who was re-elected with a smaller majority in a June election, made the changes to take account of the wishes of the conservative Majlis majority.

ETA Bomb Scare Disrupts Barcelona

BARCELONA (Reuters) — Basque ETA guerrillas created a major security scare on Sunday and Monday, planting four bombs in this Catalan capital, one of which injured five people.

The casualties occurred when a small explosive device went off in the toilet of a restaurant in the Olympic port area late Sunday, the police said. One man was trapped under rubble and suffered serious injuries.

Another bomb went off in a neighboring restaurant at almost the same time but the police had been able to evaruate the building before the

time, but the police had been able to evacuate the building before the blast after a phone warning by the ETA, Basque Homeland and Liberty. to a newspaper. Two other bombs were defused, one a car bomb near the central post office early Sunday and the second Monday in a skyscraper block in what was the Olympic village and is now a seaside residential

South African Black Teachers Strike

JOHANNESBURG (Combined Dispatches) — About 70,000 teachers in black schools across South Africa began an indefinite pay strike Monday that will affect more than 2 million students, a teachers' spokesman said.

The general secretary of the South African Democratic Teachers Union, Randall van den Heever, said in a radio interview that the strike was going ahead despite three court orders declaring it illegal. "We believe our demands are legitimate and realizable," he said. The teachers are demanding a 20 percent wage increase and an end to retrenchments. The government has offered an increase of 6.7 percent.

President Frederik W. de Klerk and Nelson Mandela, president of the African National Congress, said Monday that the country's first all-race election would take place on April 27 as planned.

\$5,320 Grammar Penalty in Quebec

OTTAWA (AFP) - John LaBrecque's knowledge of French grammar is, he admits, limited. But he knew that under Quebec's language laws the outdoor sign of his car repair business in nearby Hull had to be in French. So he thought a sign saying "LaBrecque Auto Service" would satisfy the law. After all, "auto" and "service" are words used as much in French

The Ottawa Critzen reported Monday that Mr. LaBrecque faced a fine of up to \$7,000 Canadian dollars (\$5,320) because his sign should have reflected French adjective placement, "Service Auto LaBrecque."

British Tourists Escape Nile Gunfire

CAIRO (Reuters) — A gunman fired at a boat carrying 44 British tourists on the Nile in southern Egypt on Monday but no one was

harmed, the Interior Ministry said. The boat, the Royal Orchid, continued its journey. Muslim militants have devastated Egypt's tourist industry with a series of gum and bomb attacks. The ministry said the latest attack was near Manfalut town, 330 kilometers (205 miles) south of Cairo, which is a stronghold of the

TRAVEL UPDATE

ince workers postponed Monday a strike for igher wages that threatened to paralyze road traffic across the country, which is already leeling the effects of a railroad strike. (Reuters)
The Temple of Peril, a roller coaster at the Euro Disney theme park

east of Paris, has been closed pending an investigation into a weekend accident in which eight tourists were hurt, a spokesman for the park said Monday. The ride opened two weeks ago. (Reuters)
Forest fires whipped by strong winds destroyed tens of thousands of
acres of pine forests in three locations in Greece on Monday, and the

police said the cause was arson. (Reuters)
Swissair has withdrawn two of its MID-11 long-haul jets from service for about two weeks for checks after a spate of problems with the aircraft and

their engines, the airline said Monday. Swissair said it planned to rent aircraft and engines from other companies to try to carry out its flight

Iran to Receive 3d Russian Sub

TEHRAN - Iran will soon receive its third Russian-made submarine, says the commander of the newspaper Kayhan, Admiral Shamkhani also said that naval

caused during the 1980-88 fran-Iraq War was repaired. Iran, the only Gulf state operat-

erational again after damage

ing submarines, ordered threef Kilo-class vessels from Moscow. In remarks published in the The second diesel-powered submarine arrived at Bandar Abbas at the Strait of Hormuz this month. The bases at Abadan and Mahshahr in first one was delivered last Novem-

GIs in Mogadishu: Wary and Weary

By Keith B. Richburg

Washington Post Service MOGADISHU, Somalia - After three months of riding guard on supply convoys — and being shot at by snipers three times — Major Phillips, a U.S. Army staff sergeant from Arkansas, has a different view of the mission in Somalia and of the people he thought he was coming here to save.

They throw rocks," he said. They shoot. They put mines on the road. You can't trust a single

Or ask Specialist Michael Matthews of South Carolina, who has had to alter his daily routine since Somalis started near-nightly gre-nade and mortar attacks on the U.S. Army supply base here.

"I don't mess around," he said. "I try to go to bed around 8 o'clock, because I know we're going to get attacked. I always take a shower as soon as I'm off duty, because you don't want to get caught in the shower when they attack."

When American troops first landed here Dec. 9 as part of a multinational military force, their stated objective was to ensure the safe delivery of food relief to thousands of starving Somalis and to restore order to the chaotic country

to safeguard those deliveries. But these soldiers have found themselves on the front lines of a hit-and-run war being waged be-tween the United Nations - which assumed military command in May --- and one of Somalia's principal warlords, General Mohammed

Farrah Aidid. Since June 5, when an ambush laid to General Aidid's gunmen killed 24 Pakistani UN peacekeer ers, the Americans' principal task has changed from aid work to mostly just protecting themselves

against attaci They are frustrated, angry and confused about why they are here. Does Specialist Matthews think the 4,000 U.S. soldiers in Somalia are accomplishing anything? "No, I don't," he said flatly. "We don't have any need to be over here. They don't want us over here. We're get-

The only convoy I want to go down the street to the airport," with the 260th Quartermaster Bat- provements in life.

Continued from Page 1

muna River, a rush of muddy water stinking of

industrial pollutants that is a major source of

water for many north Indians and a major

dumping ground for sewage and industrial

waste. Every day, the dhobis assemble piles of soiled clothing — yellow and blue and green

saris and the long white cotton shirts and trou-

sers, the traditional kurta pajamas -- and begin

Hour after hour, the dhobis stand in the

putrid mud, swinging soaked garments over their head and slamming them onto slabs of stone or concrete. The thwap of clothing

against stone echoes along the river, and with each swing of their arms, the dhobis give a low

"I've been doing this since I was a child." Mr. Ahmed said. "My father was a dhobi. My sons

are dhobis," he said, his hand flicking toward a

mud flat where a younger man was laying out clothes, more dingy than clean, to dry in the sun. As he talked, children frohcked in the

rinsing and washing them in the river.

talion are far removed from the policy-making councils of the Pen-

tagon or the United Nations.
They are engineers and transportation specialists who drive and maintain the trucks that carry fuel, water and food to the diverse military forces under UN command

scattered around Somalia. But their staging area, Hunter Base, home for 550 U.S. soldiers, has come under frequent grenade and mortar attack from teenage gunmen who hide in a white villa ust across the street from the

base's main gate,
"We don't need to be over here," said Sergeant Roy Statts, a maintenance specialist from West Virginia. "They don't want us here. We're not doing anything but running supplies to these other countries that are making that big UN mon-

The soldiers, almost unanimously, voiced a common complaint against the U.S. military bureaucracy: that Americans are the only foreign contingent not receiving the United Nations bonus of nearly \$1,000 a month for serving under the UN flag.

rules of engagement under which they operate are far too restrictive, requiring them to see an attacker clearly before returning fire.

Like those within the UN civilian bureaucracy, the soldiers are also perplexed about why it has taken so long to capture General Aidid, whose arrest was ordered after UN authorities here labeled him a "criminal" and the mastermind behind attacks on the peacekeeping force, including a bomb. that killed four military policemen Aug. 8.

"I think Aidid ain't no joke," Specialist Matthews said, "They need to come over and find him. CNN knows where he's at. Go outside and ask any of the Somalis where the general is, and they'll tell you. They just need to go get him."

U.S. military commanders say there is no real problem with mo-rale, that the soldiers all underthey say, stem partly from the fact on," he declared. "is the one going that they are not out in the streets helping Somalis and they do not Sergeant Phillips, Specialist travel regularly to the countryside, Matthews and others like them where Somalis appreciate the im-



A rescue worker offering his respects to a Buddhist monk on Monday who conducted rites for the victims of the Thai hotel collapse.

They also complained that the They a

NAKHON RATCHASIMA - Thailand -

Hours after giving up hope of finding more survivors, rescue workers discovered five wom-en alive late Monday under tons of rubble of the hotel that collapsed here three days earlier.

After deciding that there was no chance of more survivors, the authorities started using cranes and buildozers to remove the debris. But workers resumed sifting by hand after signs of life were discovered in a conference room where nearly 120 teachers had assembled when the

The police said late Monday that at least 95 people had been killed in the collapse of the sixstory Royal Plaza Hotel in this city, also known as Korat, 220 kilometers (130 miles) northeast

Mr. Ahmed and his three sons work seven days a week, cleaning the clothing of Delhi's middle and lower-middle classes, a process that of consumer goods and modern conveniences.

Kishan, who guessed his age at about 45. "I am all kinds of weather. We work all the time."

The government center coordinating the search said 50 to 60 people remained inside the rubble. It said 225 people had been injured.

The province's chief medical officer, Dr. Chalong Kunha, said two of the five women discovered align Monday were very week. discovered alive Monday were very weak.

Rescuers working under floodlights carved a

narrow tunnel through the concrete and steel rubble, big enough to crawl through, to reach the survivors, but were not yet able to free them. Doctors pumped oxygen into the area where the women were trapped.

that a man might be alive elsewhere in the rubble.

Rescue workers pulled two botel maids from

the rubble Sunday and early Monday. Both

victims, Maniwan Titisaksoporn, 29, and Na-

tava Chinnee, 28, were freed only after their legs were amputated. Both women were in satisfactory condition

The police were investigating reports that employees had spotted cracks and leaking water in the building in recent months and that the hotel management ignored the problems.

Four hotel executives have been arrested and charged with criminal negligence causing

to the original three-story structure in 1990.

The top three floors of the hotel were added The architect who designed the extra floors said the collapse may have been caused by three huge water tanks that the management put on the roof of the modified structure.

No More Payoffs, Japan Executives Vow

TOKYO - Japan's largest business federation intends to halt all cash gifts to politicians and their parties and will advise member corporations to follow suit, a spokesman said Monday.

DHOBI: Machine Age Threatens India's Traditional Launderer Caste

takes six days, from the door-to-door collec-

tion, to the soaking, the beating clean on stone

slabs, the drying on open ground, and then, home delivery. They handle the clothes from

hundreds of people, and, they said, never return

As the years go by, though, their future, the future of those born to wash clothes, seems

Since 1986, the sale of washing machines has increased nearly fivefold, to about 500,000 last

year. The machines, from simple, almost home-

made contractions to fully automatic machines

based on German or Japanese designs, with

prices ranging from about \$65 to well more

than \$600, are appearing in middle-class homes and apartments across urban India. And where

just 10 years ago any Indian woman who could afford it would disdain to wash her family's

clothes, handing them over to the dhobi, televi-

sion commercials now encourage the practice of

stuffing one's own washing machine, complete

with scenes of glamorous women gleefully pushing their husband's shirts into gleaming

"It's not that I became a dhobi," said Ram

a san to the wrong house.

increasingly uncertain.

danren, or Federation of Economic Organizations, would mark a sig-nificant change in politics, which has been dominated by an alliance between big business and the con-servative Liberal Democratic Par-

of consumer goods and modern conveniences.
"These are all lifestyles according to status," he

said. "Someone who wears a shirt once, they

can use these machines. But someone who

wears their clothes for 15 days, they cannot use

"Day by day, it's declining," he continued.
"We don't have any other skills so we cannot

shift to other professions. And you see here, the river water is getting dirtier day by day, so we cannot keep the clothes clean."

The city government has tried to get some of

the dhobis out of the Yamuna by building clusters of concrete tubs with water taps. But

there are too many dhobis and too few tubs.

Kedearnath Kanojia, a man whose leathery

skin and sinewy arms are evidence of decades of

hard work in the sun, works with his five sons,

"It's better than the river." he said. "There

standing waist-high in the tubs full of water.

are more facilities here. There's some shade and the water is clean. But we are hardly surviving.

If a family gave us 100 clothes a few years ago, they only give us 15 now, only those that don't

fit in these new machines. I feel my grandchil-

dren should go into some other profession. This

needs a lot of hard work. You have to work in

The move by the powerful Keity. The party recently lost its 38-turen, or Federation of Economic year grip on power amid public anger over its links to numerous funding scandals.
"Although it's not official yet, it

is the new policy line we expect to be adopted soon," said a Keidan-ren public affairs official. The decision, to be ratified at a meeting of Keidanren leaders in early September, will hurt the for-

mer ruling party, still reeling from The new policy reflects a concession to public opinion, which is increasingly critical of the links between companies and politicians that have brought a string of cor-

ruption scams, The latest scandal, which felled the former ruling party vice president. Shin Kanemaru, and damaged the party, involved secret donations by construction companies to former ruling party lawmakers and regional leaders in return for winning public works contracts.

A political scientist, Masaya Fu-

kuoka, said Keidanren was forced to change its funding policy by public disgust. He warned however that the new policy could fuel illegal fund-raising by politicians unless the

new government moved quickly to enact tough new financing laws. Keidanren's decision, he said, "is a big step that reflects the changing times. But what's more worrisom is that political donations could go underground and worsen the problem of illegal fund-raising unless stringent laws are passed." Most of Keidanren's political

billion yen (\$100 million) out of a total 13 billion yen — have gone straight into former ruling party The figure represents about a

third of the party's total annual haul of over 29 billion yen. But according to media estimates, total corporate donations, legal and ille-gal, to the former ruling party and individual party lawmakers are about 10 times that Tax authorities issued a report showing that leading firms paid out

almost 56 billion yen in "unspeci-fied expenditures," secret political donations, between July 1991 and June 1992. Almost 70 percent of the total came from construction headed by an anti-graft crusader,

Morihiro Hosokawa, came to power promising to overhaul an electoral system that encourages corruption and to introduce stringent fund-raising laws and ban or phase out corporate contribution The coalition's eight partners

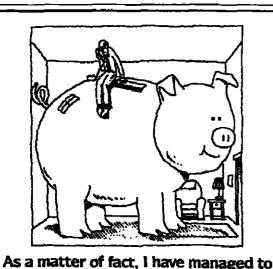
representing a union group and seven parties from the center-right to the left-wing Socialists, failed last week to agree on a reform plan. Some coalition members like the Democratic Socialist Party, which received about a billion yen annually from the Keidanren, oppose a ban on corporate donations.

To subscribe in Germany just call, toll free, 0130 84 85 85

navy, Admiral Ali Shamkhani. the northern Gulf had become op- ber.

river. A small procession of four men, one carrying the wrapped bundle of a dead child, moved toward the river, where the man pushed the swaddled body into the current. Mr. Ahmed shrugged at the sight, "We do earn and we do eat." He went on: "It's not providing enough money, about 300 or 400 rupees each week" — approximately \$13.

R



save a wee bit with MCI.

MCI CALL USA service makes calling a pleasure. Reaching home has never been as easy, as fast, as inexpensive.

To reach the US just select the number next to the country you're calling from An English-speaking operator will put your call through instantly to anywhere in the 50 states. Puerto Rico and the US Virgin Islands Sauci Arabia Beignam Bokwa Brazil 555-5770 kenya" 00 42 000112 Słovak Rep 900 99 00K 020 795 922 0.800.2222 Finlan: 9800-107-80 **KUM**at 800 MCI (800 624) 19" 00 19 000-8012 France 425-036 Lebanor 0150-0012 Swizerland 06* 022-31-22 99-8001 1177 Turkey UAE Colombia 980 16 0001 Greece 00 800 120 Netherlands 080-90000 00.800-0141 Hungary 050 12912 Cyprus Norway 001-190 00-42-000112 000 177 United Kingdom 0800-89-0222 I-800-55I-00I 000-4D 8001-0022 reland Poland 0*01-04-800 222 177-150-2727 1800 751 6624 05-017-034 Portugal

"Country to country, calling may not be available to & from all ARC CALL USA locations. Certain restrictions apply, "Was for second cast rone: ""Available from most major : When dialine outside of Caro dial 07 first. Pisherr dialing outsion of Lima, the access number is 190, "Limged availables," "Collect colls to U.S. only In some courries, public phores may require depose of comior phone card for dial tone. A Senace from public telephones may be limited Rize depends on call open in Meson ("Secure assistate on a limited basis in except Company 2" AVI International Inc., 1995

MCL its logo, and all other MCI products and services mentioned heren, are progressing masks of MICI Communications Composition

MCI

STATESIDE / A BIPARTISAN APPEAL

1-1-15-51 2 20055

Clinton Team Out of Gas on Greenhouse Plan

WASHINGTON - The Clinton administration will miss its mid-August deadline for proposing a plan to reduce greenhouse gases by the turn of the century.

Mr. Clinton pledged in April to reduce U.S. emissions of the industrial gases to 1990 levels by the year 2000. He also promised to come up with a plan for achieving the target in time for a two-week meeting in August to discuss the progress of a global warming treaty signed at last summer's "Earth Summit" in Rio de Janeiro.

But an interagency group assigned to develop the plan has not completed its economic and environmental analyses, said a White House spokeswoman, Marla Romash.

The world community by now is aware of the renewed commitment that President Clinton brings to these issues," she said. "The delay speaks to a strong feeling that additional time would produce an additional product." In last year's presidential campaign, Mr. Clinton criticized President George Bush for the U.S. lag behind other industrialized untions in proposals to combat the gases that trap solar heat as a greenhouse does. Some scientists fear the gases will overheat Earth's surface, melting ice floes in some regions and causing drought in others.

Because the gases are produced by the burning of industrial and transportation fuels, the task of cutting them is politically difficult. Although Mr. Clinton, as a candidate, pledged to increase the fuel efficiency of cars from 27.5 miles per gallon to 40 miles per gallon (about 8 liters per 100 kilometers to 6 liters) by 2000 as a way to cut warming gases, an official said Sunday that the administration plan was not likely to include such a provision.

The anto industry and its Democratic champions in Congress oppose government mandates to increase auto fuel efficiency. Administration officials said the plan would be completed toward the end of September.

The President, After Ali, Likes Vacationing

VAIL, Colorado — For someone who did not seem eager to go on vacation, President Bill Clinton quickly got into the swing.

In just 36 hours in Vail, Mr. Clinton went golfing twice with a former president, Gerald R. Ford, He jogged. He watched an outdoor performance of the Bolshoi Ballet. And at a lavish dinner in a candle-lit tent, he borrowed a tenor sex for a haunting readition of "My Funny Valentine."

Mr. Clinton was having such a good time that he decided to spend an extra night Sunday in this resort town, forsaking (for a day, at least) his original destination of Springdale, Arkansas. And the White House announced at last that he would spend 10 days beginning later this week on Martha's Vineyard, off the Massachu-

And all this from a president who seemed to take almost as much time deciding where (and whether) to go on vacation as he did in choosing Ruth Bader Ginsburg to fill a vacancy on the Supreme

The influence of Mr. Ford seemed to have been particularly benign on his thrice-removed successor.

The former Republican president and his wife, Betty, who have been in near-permanent residence in Vail since leaving the White House in 1977, helped the Clintons find a condominium (owned by the Firestone lamily, of rubber riches) near their own and escorted them to the ballet and dinner at the Gerald R. Ford Amphitheater.

Mr. Ford persuaded the famed golfer Jack Nicklaus to join him and Mr. Clinton on the links, where the three spent nearly six hours under stormy mountain skies. The experience even found Mr. Clinton hoping for a better relationship with Republicans and telling reporters, "I don't ever want the kind of polarization we've had in the

"This has been a wonderful day for Hillary and me and Chelsea Mr. Clinton said at the dinner, which was given by the Vail Valley.

They climbed a mountain, and I climbed a mountain of my own," the slightly sunbuned president said. "I got to play golf with lack Nicklaus, it remands me of a decision I made at an earlier stage in my life, not to become a professional musician. I played with someone who is really great, and I looked at that guy and said, TII never be that good; I better find another line of work." (NYT)

By Robert Pear

New York Times Service

nous objections from some drug

is establishing a new program guar-anteeing free vaccine for millions:

of children who are poor or min-

gress created as part of the budget bill and President Bill Clinton

discount prices from drug manu-

The doctors, in turn, will not

charge patients for the vaccine.

Though they may charge a fee for

away a child whose parents are un-

administering it, they cannot turn ye

signed into law Ang. 10, the government will buy the vaccine at

Under the program, which Con-

WASHINGTON - Over stren-

ies, the federal government

- 1

975

were the state of the

.....

"Ohhhhhhhhhhhhhhhhhhhhhhh:" speciators on golf course as Mr. Clinton missed a putt for a par four.

Embattled Clinton Asks Governors' Aid on Health Care

Washington Post Service

TULSA, Oklahoma -- President Bill Clinton came bere Monday to begin selling his health care program but instead found himself defending it against charges that it would crush small businesses, as well as lamenting the state of life in Washington.

His speech to the National Governors Association annual meeting here was intended to outline his broad vision for reforming the health care system, which he called "the biggest outstanding culprit in the federal

By Ruth Marcus and William Claiborne him develop a health care program "without the kind of rhetonic and air-filling bull that we hear so often in the nation's capital."

تعكدًا من الأصل

Sounding beleaguered after a bruising seven months in office, the former Arkansas governor told his onetime compatriots in the organization he once headed:

"I miss you. I miss this." He said health care reform would only succeed if it were done on a bipartisan basis, adding, "I never want to go through another six months where we have to get all of our votes within one party."

sus is often turned into cave-in" and where scoring points in the press is more important than real accomplishment, Mr. Clinton called on the powerpart of the lack of specifics in the administration of the press is more important than real accomplishment, Mr. Clinton called on the administration of the lack of specifics in the administration of the lack of specific in the lack of sp

for their employees would have "immense consequences for employers, especially small employers." Mr. Motley said that health care reform, as he sees it

AND JORG

unfolding, would be like "tying small businesses to a sled and pushing them down a mountain, hoping they'll remain upright." He said thousands of small businesses would close and fewer new ones started. Jeff Eller, a White House aide, said one of the lessons the administration drew from the battle over its economic plan was that "these perceptions form

early and they can be hard to knock down." "We've always known that small business was going

He said the "untried, untested" proposal to require all employers to pay 80 percent of the health insurance speech, saying that businesses large and small—along Mr. Clinton took on Mr. Motley by name in the with their workers - would be worse off if nothing were done to restrain health care costs.

> "The truth is that about 100,000 Americans a month are losing their health insurance because their employers can no longer afford to carry it under the present system we have, and others, holding on for dear life. are never giving their employees pay raises," he said.

> Mr. Clinton agreed that jobs would be lost if employers were simply required to pay for their workers' insurance and nothing were done to fix the system. But he said his plan would phase in the mandates on employers, put caps on the amount they would be charged, reduce paperwork, and brake rising costs.

Insurance Overhaul Appears Negotiable

By Adam Clymer

New York Times Service
WASHINGTON — As President Bill Clinton and his Democratic allies prepare for the health care debate, the major test of his campaign promises, they will find Republicans in Congress far less focused in their opposition than they were on the budget.

Republicans on Capitol Hill have deep differences with Mr.

Clinton over health care, both in timing and in substance, but they are not monolithic in their attitudes as they were on taxes and the deficit. And even the views they do share are negotiable. So the Republicans' talk of impending biparti-sanship may be the real thing, not just a ploy to deflect Democratic assertions of obstructionism.

Congressional Republicans deeply oppose two likely elements of the Clinton plan, whose intention is to provide health coverage for all Americans and to control costs. They do not think employers should be required to pay for health insurance for their workers, and they resist the idea of a national ceiling on health spending, which the administration considers essential to control cost.

U.S. Congressman Sees Demjanjuk in His Cell

TEL AVIV - A member of the

U.S. Congress and relatives of John Demjanjuk, who was convicted here as a Nazi death-camp worker and then acquitted on appeal, visited him in his prison cell Monday. They then went to the American Embassy for consultations about his return to Ohio if the Israeli ing scheduled for Wednesday. We are here to see what, if any-

thing, I can do to get John Demjan-juk back into the United States," said Representative James A. Traficant Jr., Democrat of Ohio. The Supreme Court is to announce whether Mr. Dermaniuk will be deported or held for trial on other

More broadly, the Republicans would prefer to go more slowly than Mr. Clinton would in changing the shape of health care, to see how much money some changes would save before deciding how to use those savings to improve access

One major difference between the views of Republicans in the House and those in the Senate is over the most expensive element of any major health care overhaul: ered. The Senate Republicans say the program must do that; those in the House, who are especially adverse to additional taxes, do not

So Mr. Clinton can expect strong but not necessarily imalterable Republican opposition in Congress to his efforts to solve a problem that both political instinct and public opinion polls show is a major national concern.

And that, in turn, means that the Democrats, if they can unite as solidly behind some version of the president's health program as they did on the budget, should be able to find some Republicans willing to

bargain. In the Senate, many Republicans endorse the basic "managed com-petition" approach that Mr. Clinton favors. In fact, they like it ing cooperatives bargain with health insurers to control rates.

House Republicans are essentially skeptical of "imposing an un-tried scheme nationwide," as they declared in a recent policy state-

filibuster that blocks any action at Paul II.

For example, even as that maric they "strongly opposed" requiring employers to buy insurance for their workers, they were also making it clear, as Senator John H. Chafee of Rhode Island put it, "We've tried to avoid drawing lines in the sand, saying, 'No, never.'



President Bill Clinton and his daughter, Chelsea, riding on Grouse Mountain, while vacationing near Beaver Creek, Colorado.

enough that they may be prepared to compromise to help enact the system in which consumer purchas-

By Peter Steinfels New York Times Service

DENVER - It is the task of Popes to talk about religion, and for that very reason their religious messages are often considered news-worthy only when they can be distilled into But flexibility matters more in immediate, specific political or moral directives. That is all the more likely when the Pope publican senators can maintain a is known to be as politically minded as John

Given that fact as well as the code is of American politics, it might have been inevnumber of 41 Senate Republicans itable that the Pope's speeches in Denver came sent Mr. Clinton a letter saying across to many as highly political and confrontational, a severe critique of the United States. But given the well-documented indepen-dence of U.S. Catholic opinion on how moral issues like abortion should be handled political-

ly, the likelihood of forging Catholics into a militant political bloc seems sheht So in the end, many will leave Denver convinced that, for all the Pope's excursions into areas where politics and religion overlap, he

saw his visit as primarily pastoral.

Those who stressed the Pope's pastoral aims and actions on this trip did not deny that he wanted to rally opposition to abortion and,

increasingly, to euthanasia as well. But they asked why, if the Pope wanted to make his meeting with President Bill Clinton as confrontational as it was widely portrayed, did the word "abortion" not even appear in his

airport remarks?

The Pope, they pointed out, was quite capa-ble of being brutally direct, of waving an accusatory finger in public - for example, at the Reverend Ernesto Cardenal, one of the priests who took posts in Nicaragua's Sandinista gov-

In his 1979 visit to the United States, the Pope had strong words in Philadelphia about priests' leaving the priesthood. In 1987, he admonished the U.S. bishops in Los Angeles about the impermissibility of dissent in the

There was nothing really comparable on this trip. Many of the Pope's strongest statements were simply reiterations of things already said by him or his predecessors or even by the Second Vatican Council, which called abortion "an unspeakable crime," one of that council's few condemnations.

Not only did the Pope's speeches include passages at odds with the idea of a narrow political focus, they also included words easily

obscured by the image of a man who is stern and dry air endured by the endless rows of and unyielding.

Two interesting examples were mentioned by

those who felt that reporters were was missing the pastoral side of the visit. In the Pope's most direct call to action on abortion, for example, made in his speech Saturday, he spoke not of laws but of "a massive effort to educate consciences."

He concluded the passage by counseling ing about the value of every human life with concrete and effective acts of solidarity with people in difficult situations.

Without charity, the struggle to defend life would be lacking the essential ingredient of the Christian ethic."

Why, if the Pope wanted to make his meeting with President Bill Clinton as confrontational as it was widely portrayed, did the word 'abortion' not even appear in his airport remarks?

In the same speech, the Pope received a standing ovation when he mentioned the mass media as one of the causes of growing violence in modern cities. But rather than milk that line the way many politicians — and many religious leaders, too - might have done, the Pope appeared eager to direct his audience away

from easy exaggerations. "You seem to be satisfied with the Pope opposing American TV," he ad-libbed in his neavily accented English at the end of his address. "The Pope has not spoken against American civilization, American society, American television," he said, using the third person, "He has spoken for an authentic promotion of what is civilization, what is culture - for human

dignity."

He also skipped over a number of strongly worded statements in the official text of his sermon, including one about abortion and eu-thanasia. Those deletions may have been one of the few pastoral concessions to the piercing sun worshipers at a long service.

But their effect was also to highlight the note of religious appeal rather than social criticism on the final day his visit.

If the massive gathering of young people in Denver is to have a lasting impact, it will almost certainly spring from the fact that the Pope's battle cry against evils in the world was blended with these moments of pastoral restraint, and with many moments of tenderness as well.

Much about the Pope's visit demonstrated that religious faith, so often the cause of hatred and bloodshed, has the power to break down

barriers between strangers and cultures. In a statement read before the Mass ended Saturday, delegates to the International Youth Forum, a meeting of several hundred young people from around the world preceding World Youth Day, called their experience of dialogue

and prayer "an anticipation of communion with God." The chosen theme of the Roman Catholic Church's World Youth Day just concluded in Denver was "life." a word that rings throughout the proclamations of Jesus, throughout the Judaism from which he sprang and indeed through the texts and rituals of all the world's religious. It is also a word that looms large in

American political and moral debates. Unquestionably, the Pope came to the United States determined to rally Catholics and others against what he believes is a modern "culture of death" that justifies actions ranging from genocide and "ethnic cleansing" to abortion, cuthanasia, pornography, drug addiction and urban violence.

But John Paul brought a message to Denver that was often directed far more toward exercising a long-range impact on the culture than a short-range impact on politics.

In his speeches, the word "life," which in a United States grown hypersensitive about the abortion issue, could be translated into a statement about the unborn, Instead, it encourpassed a much wider range of concerns, includng the protection for families, children, the sick and handicapped, the elderly, immigrants, refugees and the needy and oppressed in poor

Nor did the word ever lose its many religious dimensions. The Pope closed Saturday's Mass with references to divine life, eternal life and

able to pay. cost of vaccine, is the main reason The recommended vaccines profor the nation's low immunization tect children against diphtheria, tetanus, whooping cough, polio, measles, mumps, rubella, hepatius

Away From Politics

• The biggest illegal U.S. sports betting ring has been cracked with the indictment of 26 people in California and the Dominican Republic, U.S. authorities said. The 26 represented five major syndicates that ran high-tech betting operations on horse racing, college and professional football, baskerball, baseball, hockey and other sports, authorities said. The operations used toll-free numbers and computers to take in more than \$1 billion a year from thousands of betters around the country, the U.S. attorney's office said.

A hear found near where a logger was killed and partly enten last week in Colorado was trapped and put to death. The black bear, week in Colorado was trapped and put to death. The plack local, weighing 240 pounds (about 109 kilograms), was caught in a trap near the logger's trailer, tranquitzed and then destroyed. It had a bullet wound in its side, according to the Colorado Division of Wildlife. It said Colin McClelland, 24, was killed on Waugh Mountain, about 100 miles (160 kilometers) southwest of Denver, when a

bear attacked him after he shot and wounded it. • Sigmese twins who share a liver and deformed heart will be moved rom Chicago to a Philadelphia hospital, where a team of 59 doctors will supervise surgery to separate them, said their father, Kenneth Lakeberg. The Children's Hospital in Philadelphia has agreed to take the case, the father told The Times of Munster, Indiana.

 Two small planes collided over a New Jersey surport on Sunday and one person was killed. Three people were injured, including two in a car that was hit by falling debris. The two single-engine planes were coming in for landings at Lincoln Park surport when they collided about a half mile short of the runway, according to the National Transportation Safety Board

 Flooding shated in southern Minnesota after weekend storms dumped nearly a foot of rain, but hundreds remained out of their homes. More than 1,500 people were forced from their homes and remained in shelters, according to the Mower County sheriff's department and Red Cross in Austin, Minnesota.

B and Haemophilus influenza type able to some children in some b, a bacterial disease that is a lead-states, their parents did not always ing cause of meningitis and pneutake them to be immunized. It is for monia in young children. that reason that there is bipartisan For procedural reasons having to support for programs to find the do with Senate rules, a key approchildren who need the shots.

priation for the new program had The program is a scaled-down version of one proposed by Mr. Clinton, who wanted the federal to be dropped from the budget bill and now awaits enactment when government to buy and distribute Congress reconvenes next month. all childhood vaccine in the United But that provision - making federal money available to clinics so they can hire additional staff, States. Instead, the program will serve children who are enrolled in Medicaid and are uninsured or who extend their hours of operation and get their shots at community health identify children who need to be

U.S. to Give Poor Children Free Vaccine

facturers and distribute it at no immunized — has bipartisan supcharge to ductors who choose to port and is sure to be enacted.

The Congressional Budget Nevertheless, it represents a new The Congressional Budget Office estimates that the immunizaentitlement program for children that goes far beyond Medicaid, the federal-state program serving about half of the nation's poor. tion program will cost the federal government \$585 million over five

It will make vaccine available to children who meet certain eligibil-Drug companies have argued ity criteria, including many whose families have too much income to that parental negligence, not the qualify for Medicaid benefits. Ten million children under 18 have no rate. In the past, they point out, even though free vaccine was availhealth insurance even though, in

most cases, their parents work. The law requires doctors who participate in the new program to eligible for free vaccine. But the law also says that doctors "need not independently verify the answers to

such questions." Both supporters and critics of the program say that, in many ways, it reflects the goals of the an effort to guarantee universal ac- price in the private market.

service while controlling its cost. The vaccine initiative was the cornerstone of health care reform." said Isabelle Claxton, a lobbyist in the Washington office of Merck & Co., which makes vaccine. "The administration views children's vaccine as a public utility."

Executives at many drug companies, including Merck, are upset by the government's elfort to control the costs of vaccine. The Department of Health and Human Services will negotiate prices with vaccine manufacturers, but the new law limits what the government can

Mr. Clinton has harshly criticized drug companies for raising vaccine prices, though companies say the price of many vaccines sold to the government has increased more slowly than the overall Consumer Price Index in recent years. Last year the full battery of rec-

ommended shots cost \$122 when bought in bulk by the federal gov-ernment and \$244 when bought by private doctors in the open market For some products, the disparity is ask parents "such questions as are even greater. The government buys necessary to determine" if a child is oral polio vaccine for \$2 a dose, but the manufacturer charges almost \$10 a dose to private doctors.

Dr. R. Gordon Douglas, presi-Merck & Co., told Congress that "we intend to raise our prices to the full extent permitted" by the law. national health care plan being devised by the Clinton administrajustified because the government
tion. It significantly expands the will buy more of its vaccine at a role of the federal government in discount, leaving less for sale at full

HOTEL MANAGEMENT L'MIXAL HOTEL MANAGEMENT DIPLOMA MASTER HOTEL MANAGEMENT part time/full time Housing arrangements Job placement counseling Thu (33.4) 43 38 61 62 (FAX (33-1) 43 38 96 33 5

Advertising Section on HOME ENTERTAINMENT

On October 18th, the IHT will publish an

Among the topics to be covered are:

■ Multimedia systems — combining video, audio, data, photos, and animation.

■ Electronic books — a fast-growing

The advantages of Digital Audio

■ The worldwide battle to create an

Broadcast (DAB). ■ Market prospects for MiniDisc (MD) and Digital Compact Cassette (DCC).

HDTV standard. For advertising information, please contact

Juanita Caspan in Paris at (33-1) 46 37 93 76. Herald Eribune.

EDUCATION DIRECTORY international

London INTERNATIONAL UNIVERSITY 10 Campures in: USA, England, France. Germany, Spain, Switzerland Associate, Bachelor's and Master's degrees (MEA & MA) in:

tional Business Administration International Relations/Diplomacy Computer Systems Management ng • Financial Management Marketing • Economics • Psychology International Hotel/Tourism Management Public Administration • European Studies Engineering Management • Pre-Medicine

ciel Art • French • German merican College of Switzerland MBA, BA, BS, AA degrees in: international Pusiness Administration • Economics International Political Studies • International Studies

French Language . Liberal Arts General Studies ● College Preparatory ● English & French DEUTSCH ENGLISH FRANÇAIS ESPAÑOL Collegium Palatinum

in Heidelberg, London, Madrid, Berlin, Florida, Strasbourg, Leysin For Catalog, Viewbook or Informational Video, write of Call
SCHILLER INTERNATIONAL UNIVERSITY Dept HT/GL3 - 51 Waterloo Road - London SE1 8TX - England Tel: (071) 928 8484 - Fax: (071) 620 1226 - Telex: 8812438 SCOL G An American university rully accredited by the ACRCS, Washington, DC USA

Herald Tribune

California's Nativist Turn

America's cultural and political trends traditionally premiere in California. For that reason the growing enthusiasm of California politicians from both parties for making immigration a scapegoat for their state's many social and economic ills is alarming and dangerous. Leading the charge is the state's Republican governor, Pete Wilson, who is expected to seek

re-election next year amid spiraling defense layoffs, relentless fiscal pressure, acute racial tension and growing anxiety about violent crime. The flow of impoverished job seekers across the Mexican border only heightens the competition for jobs and dollars.

Despite recent enforcement efforts, the federal government seems unable to control hu-man traffic across the San Ysidro-Tijuana frontier. But the package of punitive anti-immigrant measures Mr. Wilson proposed to Washington last week would bring no more than marginal relief. And the proposals would do so at a high cost to the traditional and humane values of this immigrant nation.

Mr. Wilson wants to deny U.S. citizenship and public education to children born in this country if their parents are here illegally. He asks that states be freed to deny emergency health care to illegals. He wants a new "tamper-proof" system of immigrant identity cards. And he wants Washington to pressure Mexico, in the negotiations for the North American Free Trade Agreement for a police crackdown on its side of the border.

The proposal on citizenship would require amending the constitution and diluting its offer of full citizenship to "all persons born" on American soil. And the right to public educa-tion was established by a 1982 Supreme Court decision. Congress could, if it chose, enact the Draconian health care proposal. But does Mr.

Wilson really want to see emergency room turn desperately ill, possibly infectious patients onto the street? Tamper-proof identity cards, however, may be feasible and are already under consideration by the Clinton administration. No one can argue with the need for better policing of the border by Mexico. Mr. Wilson contends that he is targeting

هكذا من الأصل

federally mandated benefits that draw in millions of illegal immigrants. But a more powerful draw is surely the jobs and wages available even in a depressed California economy. That is why Washington's most recent legislative attempt to limit illegal im-migration, in 1986, aimed at the workplace, imposing penalties on employers who know ingly gave jobs to illegals.

That law has not worked nearly as well as its backers once hoped. The penalties may have been too modest to deter violations and enforcement has been inconsistent. But in hight of the continuing lure of jobs and the near impossibility of physically policing the entire Mexican border, closing loopholes and increasing employer penalties would seem the most promising areas for further action. Yet Mr. Wilson has had curiously little to say

about tougher workplace enforcement. The governor stood on stronger ground earlier this year when he requested additional money from the federal government to offset the costs of federally mandated expenses for immigrant needs. Although the full amount of his request was turned down, Washington eventually provided \$500 million. Asking Washington to pick up more of the costs of its failure to enforce federal immigration laws makes sense. Last week's foray into nativist demagogy only makes political mischief.

-THE NEW YORK TIMES.

Debating U.S. Health Care

A great deal depends on the context in which the fast-approaching U.S. national health care debate is conducted. Will the frame of reference be federal or national? The instinct will be to discuss the issue largely in federal terms: To what extent will a plan increase or reduce federal spending, taxes and regulation?

That is the political fault line, but the federal

health care programs are only a part of the national health care budget, the total the country spends each year. Controlling that national budget has to be a principal goal. But reducing the federal cost and reducing the national cost will not always be the same; in some cases a cut in one could constitute an increase in the other. Thus an "increase" in federal spending and/or taxes may be no more than a transfer into the federal accounts of health care costs previously borne by the states or the privately insured. In national terms, it might not be an increase at all, but betoken a cut if the feds are thought likely to contain the costs transferred. So also the federal government pays less and providers merely look to other payers to make up the difference, the gain will be more apparent than real. It is up to the president and others who are seeking genuine reform to keep the debate straight in this regard, which means to keep it

Health care reform as most define it involves two contradictory goals. One is controlling costs, the other expanding access. Both will likely require some increase in the federal role. A lot of the complication in the apparent administration plan stems from an effort to exercise the necessary federal influence obliquely at one remove. In effect, it is a form of political disguise. Instead of levying "taxes, the government may end up requiring that "premiums" be paid. What is the difference?

from being conducted in purely federal terms.

To control costs while minimizing regulation, the administration would also set up a system of "managed competition" under which local health alliances would purchase the bulk of care, in part on the basis of price. In theory it sounds like a private sector solution. But in practice the alliances would likely be as much public as private agencies — the government's regulated surrogates. The supposedly private health care competition would be publicly conthat, it may be the best way of decentralizing health care while following central goals. But the debate needs to be clear. No trivializing of the subject, no demonizing of the health care industry or the government, either one.

- THE WASHINGTON POST.

The Discovery at Tel Dan

It is not one of those cases where a second opinion will change anybody's mind. Still, the recent discovery by archaeologists in Israel of the first non-Biblical reference to King David -in an Aramaic inscription on a slab dug up in northern Israel near Syria - is another satisfying step in one of the more exciting and romantic of the Western intellectual progressions, the drive to corroborate the Bible.

As recently as 200 years ago, hardly anything concrete was known about the ancient Middle East and the long-ago civilizations described in religious scripture — the Egyptians and Israelites, the Assyrians and Babylonians, Nebuchadnezzar and King David - except what the scriptures themselves chose to mention. Even now, after vast advances in archaeology, philology and technology, not to mention the entire history of colonialism that sent explorers and collectors scrambling through the biblical lands, scholars have built up only a tantalizingly incomplete story from stones, pottery, excavations and the rare bit of preserved parchment or inscription. It was in the 19th century that scholars deciphered hieroglyphics and found out that Egypt was full of records from the biblical Hebrews' putative adversaries. More were found in Persia and Mesopotamia. But references to the Israelites themselves, in this case the Jewish monarchies of the 10th to 8th centuries B.C., have been especially hard to come by — at least until now.

A Catholic University professor, Brother

Aloysius Fitzgerald, suggests that the Israelite state was, in the politics and economics of the day, "just a little bit of a burg," short on monumental architecture and not often mentioned in other cultures' inscriptions. The discovery by Dr. Avraham Biran of Hebrew Union Cóllege, made at a long-standing excavation site called Tel Dan, is striking because it mentions a "House of David" at a time when a descendant of David could well have been lighting the Aramaean kings to his north.

When the archaeologists began on this track in the 19th century, their efforts interrwined with a wider societal movement to see the religious texts and traditions as artifacts. records that could be approached with scholarly detachment - and, for the first time, scientific doubt. These days, scientific detachment is familiar ground. Corroboration of hiblical personalities and interest in the Bible don't depend on each other, of course. But it's a nice combination.

- THE WASHINGTON POST.

Other Comment

Export Such Goods With Care

With the Cold War a fading memory and with lucrative federal contracts for national security-related products shrinking, pressures are growing on the Clinton administration to ease export controls on such high-tech producis as rockets and computers.

Experience makes clear that there is nothing fanciful about fears of technology being diverted to sinister uses. Iraq remains the object lesson from which prudent conclusions must be drawn. Threats can never be entirely eliminat-

ed. But more refined selectivity in approving purchasers of dual-use products can cut down on the chances of inadvertently arming regimes that are dangerous to their neighbors and the cause of world order. There are worthy, nonthreatening buyers around the world.

Changes should come on a case-by-case basis, with after-delivery monitoring insisted upon. It is possible that this condition could cut into some sales. But it could also help assure that trade intended to serve peaceful purposes does not become an instrument of aggression. - Los Angeles Times.

International Herald Tribune KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER

RICHARD McCLEAN, Publisher & Chief Executive

10HN VINOCUR. Exercise Editor & Vice President • WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR and

CHARLES MITCHELMORE Deputy Editors . CARL GEWIRTZ Associate Editor ROBERT J. DONAHUE, Editor of the Editorial Pages
 JONATHAN GAGE, Business and Finance Editor RENE BONDY, Deputy Publisher RICHARD H. MORGAN, Associate Publisher JUANT(A I. CASPARL. International Askenismy Director - ROBERT FARRE, Circulation Director, Europe

Dangteur de la Publication : Richard D. Simmons

International Hexald Tribune. 181 Avenue Charles-de-Gaulie, 92521 Neutly-sur-Seine, France, Lea: 11140_S/43.00. Fax: Carculation, 46.37.06.51; Advertising, 46.37.52.12.

Editor for Asia: Michael Richardson, 5 Carderbury Rd., Supapore 0511. Tel. (65) 472-7768. Fax: (65) 274-2334

Mag. Dir. Asia. Rolf D. Kranepuhl, 50 Gloucester Rd., Hong Rang, Tel. 861-3616. Fax: 861-3073

Mag. Dir. U.K. Garry Thorne, 63 Long Acre, London WC2 Tel. (071) 836-4802. Fax: (071) 240-2254

Gen. Mgr. Germany: W. Longerbach, Friedricher. 15, 60323 Frankfurth Tel. (169) 72-67-55. Fax: (169) 72-73-10

Pres. U.S.: Michael Comm. 850 Thard Ave., New York, N.Y. 10022. Tel. (212) 732-3890. Fax: (212) 755-8785

S.A. au capital de 1.200.000 F. RCS Nanterre B. 732021126. Commission Parantine No. 61337 S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Partaire No. 61337 U 1993, International Hendel Tribune. All rights reserved. ISSN: 0294-8052.



Now Let Us Write the Painful Bosnian Postmortem

LONDON — Bosnia is dead, for all practical purposes. It is time for the postmortem to begin. The dying country's final spasms may or may not include some NATO bombs on Serb gun sites, but even if that does happen the thump of the bombs will merely be the coda that marks the end of the whole thing.

Welcomed into the world 18 months ago,

Bosnia has ceased to exist as a recognizable entity. The Vance-Owen plan's attempt to keep it alive has been abandoned. All that remains for Bosnia's Muslims — the largest part of its people — is a few patches of territory, surrounded by enemies, that cannot

sustain the refugees crowded into them.

The world's diplomats still talk of "negotiation," but in fact all they are doing is to tie up the loose ends of the Serbs' victory. The war is ending, as many feared it would, in interna-tional hypocrisy and Balkan agony. The ques-tion has to be asked: How did this happen?

The first part of the postmortem's answer will be to say that it did not have to happen at all. When Yugoslavia started to break up, the politicians of Europe and America decided that they were not going to risk a fight about the principles they knew were involved in the breakup. To justify their decision, they said that their generals had told them a fight would

be unwinnable. This was not strictly true.

There has always been a body of military opinion which held that air power alone, used in the right way and at the right time, could at least have made the Serbs settle for a compromise. Even if this trust in air power is exaggerated, it now turns out that some of the West's top soldiers think a war on the ground could have been won. The new chair-man of America's chiefs of staff says its risks By Brian Beedham

may have been overestimated. Some senior British officers were recently reported to have said they reckoned it could have been done. Some Frenchmen think so, too.

If NATO troops had been sent to Croatia's border in the summer of 1991 (with due guarantees for that country's Serb minority), the Serbs of Serbia might never have marched over the border, and both Croatia and Bosnia might have been saved. It is true that, once that

The war is ending in international hypocrisy and Balkan agony.

chance had been missed, any subsequent intervention would have been riskier and bloodier. But it would not have been impossible.

Even four months ago, when President Slo-bodan Milosevic of Serbia was maneuvered into saying that he would stop military aid to Bosnia's Serbs, a prompt posting of NATO guards on the bridges over the Drina River could have isolated the Bosnian Serbs. It is hard to believe that, by themselves, the Bosnian an Serbs could have stood up to the combined armies of the West. The politicians who said that force was unusable were guilty, to put it at its mildest, of expedient exaggeration.

The postmortem's next question will be which country's politicians are most to blame. The Americans have no cause to be pleased with themselves. The Bush administration

just wanted the problem to go away. The Clinton people saw that it would not, and were willing to use force to solve it, but they would not let that force include American soldiers on the ground inside Bosnia.

It was the Europeans, however, who were always most refuctant to use any kind of force, whether on the ground, or from the air, or just by letting the Muslims have better guns with which to fight. It was this that eventually condemned Bosnia to death. And there were, alas, gradations within this general European unwilingness to do anything serious

unwillingness to do anything serious.

The Germans took refuge behind their constitution's supposed prohibition on sending German soldiers to a place like Bosnia; but at least Germany was willing to back some of the American ideas for using force. The French dug their heels in against almost everything the Americans proposed; but at least President François Mitterrand went to Sarajevo when that seemed a risky thing to do, and France's General Philippe Morillon shoved his way into the besided Muslim pocket of Srebrenica.

It is my own country, Britain, that earns fewest qualifications to the charge of appeasement. The British did indeed send some soldiers to guard the aid routes. But it was Britain's foreign minister who always seemed to lead the objections to doing anything more strenuous, and who declined to let arms through to the weakening Muslims because he did not want to "level the killing fields." It was Britain's defense minister who said the "overriding" aim in Bosnia was to protect the loreign soldiers there.

Those two remarks will not read well in the history books. If Europe is judged guilty of a historic mistake in the former Yugoslavia, it

seems likely that Britain will be considered the intellectual leader of the error.

The postmortem's third question must be how the West can do better next time. A next time there will assuredly be, not least because time there will assuredly be, not least because the Serbs' triumph is going to encourage awkward people all over the world — think of Pyongyang and Baghdad — to believe that they can count on a failure of Western will.

If there is one thing to be said in defense of the West's politicians, it is that they knew their uncertainty and like a least angle.

their voters would not like a long casualty list from Bosnia. The people of the democracies still want to believe that the post-Cold War world is a world in which it is not necessary to fight. This does not justify the West's inaction in ex-Yugoslavia. The politicians, if they had known their job, should have explained to the voters what was at stake. But it does help to

explain why the politicians dithered.
For the West to do better next time, its politicians have to recognize the first duty of politics; not to conceal painful truths. Today's painful truth is that the end of the

Cold War has unleashed many demons. There are the countries seeking to build little local empires for themselves. There are the dictators anxious to prolong their power by the acquisition of nuclear weapons. There are the mititudinous new assertions of ethnic superiorists and themselves. nority. And there are the subdemons, born of these, that preside over chaos and starvation.
It is not possible to light every manifestation of these demons. But some of them must be fought. The people of the democracies have to learn that lesson. The disaster in Bosnia may help them to learn it -if their politicians open

eyes, and face the painful reality. International Herald Tribune

Will Republicans Shed The Old World Vision?

By Jim Hoagland

WASHINGTON — The rumble of heavy artillery has shaken the political battlefield for months as Republican leaders and President Bill Clinton traded fire on taxes and spending. But on foreign policy the GOP takes only isolated surper shots at a young Democratic presi-dent groping for America's new role in a changed world.

That probably suits Mr. Clinton. But over the long haul — usually defined in this capital as a presiden-tial term of four years — GOP reticence on foreign affairs is not good for the republic, the Republicans or even for Mr. Clinton's presidency. An opposition party must be prepared to set out a responsible alternative vision of where the country should be going, abroad and at home.

Is it too early to expect a recently defeated party to outline a compre-

hensive stand on the world? Perhaps. New Republican think tanks are being formed and may fill the void. But the disappearance of the Evil Empire threatens to leave the Republicans adrift without a nudder in world affairs. The problem is greater than a recent loss of power. It could be the

loss of a raison d'être in foreign policy. The Senate minority leader, Bob Dole, wings an occasional shot at Mr. Clinton's exposed Bosnia policy, where he urges intervention, or at U.S. involvement in Somalia. where he suggests withdrawal. But Mr. Dole and his ideological cohorts show little stained conviction that their pre-

scriptions will solve either problem or add up to an overarching alternative view of the use of force abroad.

Thoughtful Senate Republican such as Richard Lugar of Indiana and William Cohen of Maine, offer sound positions on foreign crises, but do so as individuals rather than as spokesmen for a party that has not always been as forward-looking as they have. This is a far cry from Evil Empire

days or the Nixonian era when Republicans could win elections by suggesting the Democrats were soft on communism, incompetent in for-eign policy, or both. The GOP expertise built up in the hardware of strategic missiles and force projection suddenly looks moldy to Americans laser-beamed on the national economy and local problems.

Beyond the Cold War the Republicans have a long-term problem in defining why they are more "reliable" on foreign policy than Democrats, as they have successfully done in the past. Mr. Dole's demands for ever deeper spending cuts and no-cal, lite taxes leave the Republicans poorly positioned to make greater defense spending a winning campaign theme. Some White House aides were sur-prised at the mildness of the Republi-

can grumbling over the cuts the Clinton budget inflicted on the "star wars" missile defense system. The GOP made even less hay from Mr. Clinton's decision to extend the congressionally enacted moratorium on nuclear testing. And Mr. Clinton's un-

compromising support for President Boris Yeltsin of Russia has met with no coordinated Republican dismay. We can't figure out where the Republicans are on what were core issues to them in national security," said one White House official, "Are they keeping mum, keeping a list they will surface three years from now as a bill of indictment? Or are they out of ideas and energy? On Russia at least, an admirable bipartisanship is part of the explana-

U.S. aid to Russia. Secretary of State Warren Christopher found Mr. Dole and other congressional Republicans in a remarkably supportive mood on aid to the former Soviet Union.
But Mr. Dole's slash-and-burn performance on the budget bill and other legislation suggests that bipar-

tion. Host of a recent dinner to discuss

tisanship will be exception, not rule. A more likely explanation for the sniper approach is that the Republicans are content to play defense on foreign policy while lambasting Mr. Cliaton on his domestic plans.
If so, there is irony aloot. That is what Mr. Clinton did to George Bush

last automn. Mr. Clinton neutralized a four-decade Republican advantage on foreign policy by persuading vot-ers that his election would make little difference in America's approach to the world while there would be a cascade of change at home.

The Democratic campaign strategy of being Bush-plus left the adnistration struggling in its early months to define a strategic view of the world. So the Republicans have had little to shoot at from their

economy is growing at a healthy 4 percent, but it can only create one

new job for every five entrants into

the work force. Mexico realizes that

decentralization and openness are the path to higher living standards.

from scores of U.S. states are now

engaged in an aggressive commer-cial relationship with Mexico, satis-fying my country's hunger for high-quality goods and services. According to the U.S. Department

of Commerce, 800,000 U.S. jobs are

piracy laws. The state of Washing-

Hundreds of U.S. companies

That will change in September, as the Clintomites conclude a series of strategy reviews dealing with the future of arms control and nonproliferation, the structure of U.S. nuclear forces and other topics. The results will be laid out in a major address by the president and several supporting

speeches by Mr. Christopher It is a new world, demanding new visions and practical suggestions for implementing those visions. The GOP could contribute ideas and reasoned criticism that would help Mr. Cinton sharpen his own positions.
To do that, the party must not dwell
in a red-tinted past in which questioning the patriotism of Democrats was a powerful electoral tool. The election results of November showed the futility of such old thinking. The Washington Post.

Strong Mexican Progress Bodes Well for North American Trade

MEXICO CITY — As a Mexican businessman, it strikes me that much American discussion of the North American Free Trade Agreement focuses less on the agreement and more on economic, social and political disparities between Mexico and the United States. This discussion ignores the enormous progress Mexico has made in the last six years and the benefits trade liberalization

will bring to both countries. Senator Ernest Hollings, a Democrat of South Carolina, described NAFTA as a "shotgun marriage." implying that Mexico is still too primitive to be a fit trading partner. A sober regard for the facts, however, makes a compelling case for Mexico and NAFTA.

Mexico is no United States. It has

By José Antonio Alonso Espinosa

only one-tenth the per capita GNP and one-third the population. Loss of half of its territory to the United States in the mid-1800s and subsequent American domination caused Mexicans to equate patriorism with anti-Yankeeism. This wariness belped to create a tradition of a heavily centralized state and to spawn policies of protectionism, im-port substitution and state intervention. Plenty of blame rests with previous Mexican governments. But the country has experienced dramatic change over the last 10 years.

With the oil price collapse and debt crisis in the early 1980s. Mexico embarked on a painful long-term process of economic reform based on

free-market principles. Under President Carlos Salinas de Gortari, the decades-old traditions of protection and intervention were replaced with massive privatization and deregula-tion. Consider these facts: Tariffs have been slashed from over 100 percent to around 10 per-

cent, and under NAFTA will be phased out entirely. Inflation was reduced from 160 percent to less than 15 percent.

• Mexico joined GATT in 1986

and threw open its economy to foreien investment • U.S. exports to Mexico have

nearly quadrupled since 1988, to \$40.6 billion in 1992.

Much remains to be done. The

currently directly related to U.S. ex-ports to Mexico, two-thirds of them created since 1987. Caterpillar sold 11 big machines to Mexico in 1983; in 1991, 1,200. Aldus and Microsoft have seen software sales rise sharply, protected by new and strict anti-

> ton saw the value of its exports to Mexico triple between 1987 and 1991, to \$241 million. NAFTA will solidify and expand reforms in Mexico. Study after study has concluded that the agreement will improve the welfare of citizens of both countries. Like the United States, Mexico needs exports to boost economic growth. Mexico has also greatly increased its spending to en-force environmental laws and improve working conditions. Implementing NAFTA will improve the environment along the Mexican-U.S.

border: NAFTA has the most exten-sive environmental and labor stan-

dards of any trade agreement. As in the United States, some in Mexico would prefer the old days of xenophobic nationalism and protec-tionism. Many progressive Mexican entrepreneurs stand to lose a great deal as the economy is thrown open to further foreign penetration. Every new American fast-food restaurant that opens on a corner in Mexico means one less restaurant will be cre-

ated and owned by Mexicans. But as we approach the final deci-sion on NAPTA, responsible Mexi-can and U.S. leaders should promote the long-term interest of all citizens, while seeking to ease the transition of those in both countries adversely affected by trade liberalization. Mexico has shown its fitness to join the United States and Canada in forging a vibrant, \$7 trillion market of 360 million consumers. NAFTA is neither a "shotgun marriage" nor a marriage made in heaven. It is a partnership based on mutual self-interest and respect that will promote growth, stability and cooperation in North America.

The writer is chairman of the board of Grupo Expalse SA, a franchise hold-ing company. He contributed this com-ment to The Washington Past.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1893: Charcot Is Dead

of hypnotism, died yesterday [Ang. 16]. The deceased had a world-wide fame as an authority on all diseases or peculiar conditions of the nervous system. His skill as a hypnotist, and his studies and experiments in the direction of hypnotic suggestion had given him a reputation which in some cases amounted to superstition. He was the first to give the phenomena depending upon animal magnetism the official or scientific stamp.

1918: 'Russia Is Saved'

tears of joy exclaiming: 'Russia will be saved after all!' The peasants, the workmen and the aristocracy know that Germany is their enemy, Never before has the situation in Russia been so favorable to the presence of

York edition: Norway was placed virtually under military law tonight [Aug. 16] following the execution of the Norwegian civil police chief by the Nazi occupation authorities, who accused him of disobedience. A roundup was ordered of all Norwegian military officers still in Norway for transfer to Germany as prisoners of war. In addition, Fuelver Adolf Hitler had rescinded an amnesty 500 regular officers and 1,000 reserve Officers were affected.

Halt the New Rain of Bombs in Sudan ZURICH — The government of Sudan is again on the military offensive. Since July 26. Sudanese visit are welcome signs of this. Sudan's leaders would like the **By Caroline Cox** and John Eibner Air Force Antonovs have been indis-

criminately attacking civilian targets in the region of Kaya near the Ugan-dan border. The United Nations estimates that more than 75,000 people have been made homeless and are seeking refuge in Uganda, Zaire and elsewhere in southern Sudan. Other relief organizations confirm the number is growing daily.

The cease-fire agreed between the government and the Sudan Peo-

ple's Liberation Army last spring is in tatters. The Kaya bombings leave little doubt about the Khartourn government's readiness to end the long-running civil war in the South by military means.

The bombings are apparently designed to depopulate the area in advance of a major ground offensive. The government's aim is to take control of the strategic towns of Kaya, Kajo Kaji. Nimule and Yambio by the end of the forthcoming dry season, according to informed Sudanese military sources. These towns represent the last bastions of the SPLA (Torit faction), led by John Garang.

The Sudanese Army is also wreak-

ing havor in the remote Nuba Mountains to the North. Last

Christmas, government troops mas-sacred the 6,000 inhabitants of the Nuba village of Heiban, according to the French filmmaker Hugo

D'Aybaury, who this spring covertly penetrated the Nuba Mountains. During our own recent visit to Sudan as guests of the government, we learned from unofficial sources that in the first week of July the strategic Nuba center of Omdurin was conquered and razed, sending several usand civilians in flight Khartoum's deeds in Kaya and the Nuba regions lead credence to

the view that it is pursuing policies of ethnic and religious cleansing. The military regime of General Omar Hassan Ahmad Bashir. which came to power in a bloodless coup in 1989, has staked its future on rapidly reversing the downward spiral of national decay. Its method has been to implement the radical program of Hassan Turabi's National Islamic Front - i.e., the Muslim Brotherhood. But nearly four years after General Bashir's coup. Sudan is nowhere near the national salvation promised by the regime. Sudan remains internation-

ally isolated. Its economy stands in a most precanous condition. The Khartoum government's political vulnerability has prompted it to take recent initiatives to improve its badly damaged relations with the outside world. The papal visit last February and the government's

world to believe that it is stocktaking and considering embarking on a new democratic course. They are eager to see the end of the sus-

Western governments must vigi-lantly watch indicators of the government's intentions with an open mind. These indicators include progress in the field of human rights, mproved cooperation with interna tional organizations in the delivery of humanitarian aid and steps to ward a quick end to the civil war. The international community must urgently discourage Khartoum from continuing its offensive in the South and the Nuba Mountains.

The United Nations will be sending the right signals to the Khartown government if it moves rapidly to impose an embargo on the shipment of weapons and oil to Sudan and to establish a military air exclusion zone over the South and Nuba Mountains. The establishment of safe havens and the expansion of the UN's Operation. Lifeline Sudan to the Nuba Moun-

The Baroness Cox is a member of the British House of Lords with a spe-cial interest in humanitarian issues. John Eibner is director of the Institute for Religious Minorities in the Islamic World. They contributed this to the International Herald Tribune.

tains should follow without delay.

PARIS - Dr. Jean-Martin Charcos, the eminent Paris specialist in cases

LONDON — An Allied diplomat who has arrived here from Petrograd states that remarkable scenes occarred during the British landing on the Murman coast, "I was at Mur-man," he said, "when the British arman, he said, when the prints ar-fived, and I am quite incapable of conveying an idea of the wild joy their arrival caused. Old people shed

the Allies as at present." 1943: Crisis in Norway

STOCKHOLM - [From our New

granted to Nerwegian officers still in Norway because some of them had joined armies fighting Germany or had committed illegal acts: About

هكذا من الأصل

WASHINGTON — In the weeks before Vincent Foster's death, he was working on overcoming ethical concerns about one of Hillary Clinton's

ortem

holdings into a blind trust. The guilt-ridden deputy counsel may have mishandled a potential conflict of interest in Value Partners, an investment group in which Mrs. Clinton held nearly I ercent; her estimated share is \$100,000. The partnership was about 14 percent ed in health care stocks at last year's end, it had "short" positions in such companies as Health Pro, Cryomedical Sciences and Bioplasty, betting their prices would drop. The partnership man-

ager. William Smith, tells me he spoke to Mr. Poster "three or four times" this year. Mrs. Clinton's public pronouncements about health and her hints at the need for particular price controls had a direct and predictable effect on stocks in that field. Counsel Foster assured her she had no conflict-of-interest problems because she was not a government employee.

Then came the lawsuit demanding she

open health reform meetings to the pub-lic. The Federal Advisory Commission Act says that such meetings can be closed if attended only by "full-time officers and employees" of government. White House Counsel won the case by claiming Mrs.
Clinton was indeed a federal official for purposes of that Act. But appellate Judge Laurence Silberman put a pregnant foot-note in his June 22 opinion: "We do not need to consider whether Mrs. Clinton's presence on the Task Porce violates ... any conflict-of-interest statutes."

By William Safire

Had Mr. Foster's victory in court subassets by putting the Clintons' financial jected the first lady to a Justice Depart-holdings into a blind trust. ment investigation based on the Criminal

Code's section 202? Faxed about this, Counsel Bernard Nussbaum faxes back: "The decision did not purport to affect the question whether the first lady is an officer or employee for any other purposes, including applica-tion of the conflict of interest laws."

About the propriety of these holdings: "She had no role whatsoever in the invest-ment decisions of the fund.... Its hold-ings included some assets that are healthrelated, but the total of these assets is a minor portion of the fund's entire portioho — to our knowledge, less than 10 percent. Mr. Fosier was aware of these facts. The matter was not discussed with the Office of Legal Counsel."

Reasonable ethicists will grant that Mrs. Clinton's health-related holdings are, as Mr. Nussbaum writes, "clearly ubstantial, because they are both a small amount of money and an insignifi-cant part of the Clintons' total assets." Nobody suggests she was out to make a buck on short sales of medical stocks. But what may well have contributed to Mr. Foster's gloom was the need to pro-tect the first lady from the consequences

main. His solution was to put this active official outside the reach of the law. Section 203 specifically exempts the resident and the vice president from the conflict-of-interest law. Adds the re-

of his FACA victory with legal legende-

doubtable, likable Mr. Nussbaum: "It is the view of the White House counsel consistent with the views of prior administrations, that the first lady, like the president, is not covered by the conflict of interest statutes and regulations."

That's the Foster-Nussbaum doctrine, not the law. The noncoverage of this most governmentally energetic first lady was not sanctioned by Congress, not approved by the courts, not even reviewed by Justice.
Justice's much-ignored Office of Legal

Counsel once led by such himinaries as William Reimquist and Antonin Scalia, was again bypassed by the White House. (The de facto boss at Justice, Hilbary law partner Webster Hubbell, even took over the poor guy's office space.) Mr. Nussbaum says that President Reagan's Office of Legal Counsel "opined that the first lady was not subject to these laws" - as if Nancy Reagan ever claimed to be a government official for any purpose.

The blind trust finalized three days

after Mr. Foster's death does not clean up a half-year's dealings of an asset that a lawyer sensitive to the appearance of conflict should have ordered divested on

Inauguration Day.

What must have added to Mr. Foster's mental burdens? Not the mon made by Mrs. Clinton's \$14,000 piece of health stocks; that's chicken feed. It was the trap set for her by her own counsel: She must seek to join the president and vice president as the only full-time government officials exempt from the conflict-of-interest law.

The New York Times.

In 'Superstition Park,' You Might See Yourself

By Robert L. Park

their profession was depicted in "Jurassic Park" that they have proposed a public relations campaign to counter the film's "anti-science" message.

They've fingered the wrong flick. The threat to science, if any, comes from films like "Dracula," in which religious icons ward off evil. A little science, even implausible science, is a welcome relief from the superstitious twaddle Hollywood gives us.
One in four Americans consults a

MEANWHILE

horoscope before reading the headlines and a third believe they have been in touch with a dead relative. Polls in Britain and Germany have found that a substantial majority believe in good-luck charms and fortune tellers. In the former Soviet Union, the state suppressed such things. But now, the peo-ple are squandering their freedom of thought on the same preposterous nonsense that afflicts the West Astrologers. psychics, palm readers and faith healers seem to have popped up on every street corner in Moscow. On college campuses in America,

students are surrendering their free

WASHINGTON — Some scienwill to religious cults. The Branch Davidians in Waco, Texas, were not semiliterate rustics. Most were college-educated and some had advanced degrees: There was a Harvard-trained lawyer, a computer consultant, an accountant.

But not just cult followers reject the idea of a rational, understandable universe. At a time when telescopes peer to the very edge of the universe and grant accelerators prepare to recreate the conditions at the beginning of time, most people find the old myths of creation unsatisfying. The New Age movement, with its blend of anti-rational mysticism and symbols borrowed from science, embraces psychokinesis, telepathy, channeling, pyramid power, UFOs and

other modern superstitious beliefs. How are we to account for such widespread nutiness? Is it indelibly coded into our DNA? Maybe.

Without getting into questions of technical feasibility, imagine using preserved DNA to clone one of our Stone Age ancestors instead of tyrannosaurs. The Cro-Magnons lived in the Pleistocene era some 30,000 years before the dawn of civilization. Would a Cro-Magnon clone be a savage brute that could escape and terrorize society?
I'm afraid "Pleistocene Park"

wouldn't be that exciting: a Cro-Ma-



gnon reared today would be virtually indistinguishable physically and men-

tally from the rest of us. Evolution is a very slow business. It cannot keep up with the pace of change in recent decades; that change came about because humans accumulate information from one generation to the nex.. not because our brains are better

than those of the Cro-Magnons.

We are pretty much unchanged from the savages who survived in the Pleistocene forests by eating grubs off rotten logs. It seems remarkable that creatures who evolved to find food and avoid predators should be capable of writing sonnets and doing integral calculus much less operating a videocasette recorder. But no matter how clever we are at doing these things, the world of jet travel and computers bears no resemblance to the primitive world in which

we evolved over hundreds of thousands of years. The wonder is not that some of us act strangely at times or hold irrational beliefs but that we cope at all in such an alien world.

Unlike our nearly stagnant DNA, our society will change even more rapidly as we leave the century of physics and enter the century of biology, when humanity will gain control over the genetic basis of life itself. If "Jurassic Park" raises a concern, it is not that the new biology will create monsters but that its power will be wasted on such trivial

The writer is professor of physics at the University of Maryland and director of the Washington office of the American Physical Society. He contributed this comment to The New York Times.

LETTERS TO THE EDITOR

Russia and Estonia

Regarding "Heed a Russian 'Cry of Despair' in Estonia' (Opinton, Aug. 14) by Andrei V. Kozyrev: Mr. Kozyrev exhorts us to heed the "cry of despair" of the residents of Narva, whom he sees as victims of Estonian nationalist radicals encouraged by the Council of Europe's indifference to local human rights "to pursue policies reminiscent of ethnic cleansing."

He writes: Today, this town symbolizes one of the most serious challenges to European stability." And further: This is why the events in Narva should become a touchstone of the ability of Europe to effectively prevent and extin-guish conflicts." Quite so.

But has Mr. Kozyrev forgotten another tonchstone? In Bosnia, neither Europe, nor Russia, heeded the "cry of despair." Indeed, the latter leads the noninterven-tionist pack. The title of William Pfaff's opinion column on the same page sums it up: "Sarajevo: Great Powers Play Out the Trage-dy Again." Impervious to the lessons of history, they will now all face the cost of appearament, indecision and compacency:

I have read with interest the reit articles and letters that have regarding the situation in the Estonian city of Narva. The argument presented by Russia's forcign minis-

ter is the most inconsistent of all. Mr. Kozyrev claims that there is "historical background" to the Russian presence in northeast Estonia. This background only goes back as far as 1940, and resulted from forced Russification rather then natural migrations.

He states that present-day Russia has "no responsibility" for Sta-lin's crimes, or, presumably, for the Russification that occurred in the Baltics through the Brezinev cra-Hasn't the Japanese government recently made a public apology for the treatment of "comfort women" during World War II? Aren't demonstrations by right-wing extremists in Germany compared by the press and by politicians with events in the 1930s? World opinion certainly holds these two countries accountable for atrocities commit-

nerican In

ted 50 years ago.
The Estonian government has demanded no apologies from Mos-cow. But it has been left to manage a demographic situation much changed since 1940; from 90 percent ethnic Estonian to just over 60 percent Estonian. While every effort must be made to accommodate the control of the contr date the Russians, their influx into Estonia has been an artificial and colonial one, and blanket citizenship is not the answer. Russians and Estonians alike must be patient with the ongoing negotiations (and their inevitable stimbling blocks) on the status of the Russian immigrant population.
Inflammatory pieces such as

that by Mr. Kozyrev, with inapproprinte references to "gunboats" and "bloodshed," do not help. NORMAN WARE

The FAO and Fisheries Regarding "Phindering the Seas" (Opinion, Aug. 3):

The editorial errs on the role of the UN Food and Agriculture Organization in world fisheries. Far from encouraging the overlishing that has caused depletion of certain stocks, the FAO has warned against it for decades. Through its exclusive economic zones program, it has successfully persuaded many developing nations to limit fishing to sustainable levels. For years, the FAO has issued

"early warnings" on the need to reduce fishing by predicting enviroomental change, as with El Niño and its effects on the Peruvian anchovy fisheries as far back as the

early 1970s.
One of the FAO's main concerns in fisheries has been the protection of artisanal fishing and small fishing communities. In 1986 it launched a yearlong global campaign for the benefit of small-scale fishermen and their communities. The FAO has been operating a large number of technical assistance programs focusing on just that sector.

The FAO also played a key role last year in the organization of International Conference on Responsible Fishing and has been chrested with the task of drafting though a conduct for responsible fishing. The code will also meands an international agreement to promote compliance with conservation and management measures fishing the high seas and to deter the use of flags of convenience as a means to undermine such measures.

RICHARD LYDIKER, Director. Information Division. UN Food and Agriculture

Organization. Rome. A Sobering Message

In response to Germany Seis Treblinka Chief Free After 34 Years" (Aug. 2):

I find it particularly outrageous that Kurt Franz, the brutal commandant of the Treblinka death camp, was freed by the German anthorities. At his trial in 1965 (a bit late considering that the war ended in 1945), he was convicted of actively participating in the murder of 300,000 Jews.

Furthermore, he was known for his particular viciousness in encouraging his dog to attack prisoners, and in many cases used the command "Man, grab the dog!"
The verdict stated, so as to avoid any misunderstanding, that "man" referred to his dog, and "dog" referred to the prisoners.

With his role as one of the most sadistic murderers in the history of the world established, how could the German government let him go free? What message does this send to the butchers in Bosnia, and what does this say about the German government's credibility to criticize the events in Bosnia?

Additionally, what does it say to the right-wing thugs in Germany? The message that it sends is, unfortunately, terribly sobering: German justice is arbitrary, and the German government's atti-tude toward coming to grips with the German death machine of the 1940s is superficial.

ERIC S. GOLDSTEIN. Oxford, England.



Thai's Unique Frequent Flyer Programme.

ENROL WITH US AND TRIPLE THF PLUS

Royal Orchid Plus is the frequent flyer programme you've been waiting for.

Enjoy free travel, special privileges, exotic experience awards and much more!

Here are three great ways to get your mileage off to a flying start.

1. First, we'll reward your early enrolment by doubling your first award.

Enrol before September 30th, 1993 and whichever Thai air travel award you choose first, you'll receive a companion award for the same flights absolutely free.

2. We'll make it as easy as possible for you to get there, with a bonus 2,500 miles the first time you fly Thai after enrolling.

3. You'll literally see double on certain Thai routes until September 30th, 1993. You'll earn double miles on



Business or First Class flights in either direction between Bangkok and Europe or Australasia, including an international connecting flight sector between Bangkok and any city in Asia.

Plus any flight between Bangkok or Seoul or Tokyo

and Los Angeles.

Don't delay. Enrol now in Royal Orchid Plus and reap the rewards your loyalty to Thai deserves.

| ENROL | DEEC | RE S | EPTE | MBE | R ゔ | U |
|-------|------|------|------|-----|-----|---|
| ENRUL | | | | | · | |

Pick up an enrolment form from your nearest Thai office or simply complete this coupon and either mail it to Thai Airways International, PO Box 567, Samsen Nai Post Office, Bangkok 10400, Thailand or fax it on 66-2-513-0222.

Allow three weeks for delivery. Please complete in English.

| • = | |
|----------------------|-------------|
| Mr□ Mrs□ Miss□ Other | |
| Name | VAMILY NAME |
| Address | |
| | |
| POSTCODE (ZIPCODI | COUNTRY |
| Phone HOME | PREIMERE |
| | |

Italian Police Blame Mafia in Bombings

حددًا من الأصل

By John Tagliabue New York Times Service

ROME - The principal suspects in Italy's recent wave of terrorist bombings are remnants of Italy's battered Mafia, backed by international criminal organizations, the national po-

lice chief has disclosed. The chief, Vincenzo Parisi, also said in published interviews that investigators were pursuing links between extremist groups in the former Yugoslav republics and Italian organized crime factions that are said to be exchanging weapons and "favors."

The disclosures provided the first rough outline of the approach being taken in the investi-gation of the bombings, which have struck museums and churches, leaving 10 people dead

Mr. Parisi said the attacks appeared to have been aimed at derailing Italy's investigation into vast official corruption. But he said that they also appeared to be linked to "other less evident but more important interests" that in-

The police chief said Italy had evidence that Mafia hoodlums were obtaining "logistical sup-port" from "extremist groups" in former Yugoslav republics and other countries of Eastern Europe. This prompted a government decision

last week to reinforce security on Italy's north-

eastern frontier by sending troops there, he

If the evidence is borne out, it would appear that the bombings were the work of international crime organizations seeking to deter Italy from a sweep that has imprisoned the leadership of the major organized crime families— the Malia in Sicily, the Camorra in Naples and the 'Ndrangheta in Calabria—and dramatical-

As an example, Mr. Parisi saud, Italy's place in the international drug-trafficking circuit had been "marginalized" by the arrests.

No progress has been reported in the search for the those who planted bombs in Rome and

forces except those of the United wants delays and war instead," said

cluded "central criminal organizations" with activity "not bound by our national territory."

Florence in May and in Rome and Milan last mouth. And indeed Mr. Parisi's interviews appeared intended at least in part to forestall criticism of the apparent inability of the authorities to track down the culprits.

> The lack of progress in the investigation raised particularly embarrassing questions be-cause it followed a similar failure to solve a series of earlier Mafia-related killings, including the assassinations last year of two leading judges in the anti-Malia crusade, Giovanni Falcone and Paolo Borsellino.

> Moreover, the investigation of Italy's bribery and corruption scandal is reaching deeper into cases of politicians who gave organized crime protection from prosecution. Gherardo Colombo, a judicial investigator into political and business corruption in Milan, recently attributed investigative successes in that northern Italian city to a collapse of "mechanisms of coverage and protection" in the government. He said this could also yield breakthroughs in unresolved murder cases, like those of the judges.



Workers cleaning up a vandalized Soviet cemetery in the East German town of Cottbus on Monday.

UN Shifts on Bosnia to Favor Partition ring the city with an estimated 1,400 heavy weapons as being in a "tactically advantageous position

ly curbed their operations in Italy.

By John Pomfret

Washington Post Service SARAJEVO. Bosnia-Herzegovina - The United Nations has undergone a fundamental change in its troubled operation in Bosnia, from trying to protect people against aggression and starvation to making easier a process that could end in the partition of Bosnia, UN and Western officials say. I inderlying this change is the belief of UN officials that the hatreds

are so intense among the three factions - Croats, Muslims and Serbs - that only partition will stop the war before another terrible winter.

Also implicit is the acknowledg-

Continued from Page 1

nia that are surrounded by Serbian

Word of the agreement coincided with a UN announcement in

Sarajevo that the last unit of Serbi-

an soldiers still occupying strategic high ground overlooking the Bosni-

an capital left Monday. Serbian forces seized the two

strategic mountains over a week

ago, stalling the Geneva talks,

which resumed on Monday, and

raising a prospect of NATO air strikes to destroy artillery threaten-

that Sarajevo "will be administered

for an interim period by the United Nations," Mr. Mills said, adding

that the length of the period had yet

The leaders accepted in principle

ing the capital.

The change highlights the difficulties of what many military and disaster relief specialists believe will comprise the lion's share of the they make." said a senior Western UN's activity in the future.

It points out, they say, the dangers of not making peace first and relying on the goodwill of warring

The new UN 2 In Bosnia, as a result of these

decisions, the main opponent of partition—the Muslims—appear to be getting squeezed by UN officials to submit to it. cials to submit to it. But critics say the plan is flawed

in that it assumes Serbian and Cro-

BOSNIA: Initial Accord for UN to Control Sarajevo

Mr. Mills said the three-man

committee would also examine the

issue of civilian policing, coordina-

tion with the UN administrator

and the functioning of the munici-

In a report to the Security Coun-

cil earlier this month, the mediators

warned that Sarajevo's fate was

"the most contentious issue" block-

As the talks resumed after a two-

week boycott by Mr. Izetbegovic,

Croats gave Muslims an ultimatum

to accept Serbian-Croatian plans to

divide up Bosnia or face prolonged

"Any party that attempts to make fundamental changes of the

Nations," he said.

pal authorities.

"The parties accept as a basic map we have negotiated so far does

principle the exclusion of all armed not want a peace agreement but

ing their negotiations.

pose a peace upon the warring Muslim entity in Bosnia even if sides, any peace will do.

Muslim entity in Bosnia even if they get separate states. they get separate states.

The way the UN is negotiating

they make," said a senior Western military officer who visited Bosnia recently. "They really put the cart

The new UN attitude was clearly reflected on Monday when Lieutenant Commander Barry Frewer, chief spokesman of the UN force here, claimed that Sarajevo was no longer under siege by the Serbs. Gulfaws broke out in the press

In a statement loaded with praise atian factions will be willing to tol- for the Serbs, Commander Frewer ments do not have the will to im- erate the existence of a mostly described the Serbian forces that

Mr. Boban in remarks clearly

Earlier Monday the leaders agreed to allow UN military ob-

servers to go anywhere in the coun-

the Muslims a landlocked enclave covering nearly 30 percent of Bos-nia, but Mr. Izetbegovic wants 40

percent, including Serbian-held

towns near the border with Serbia

in eastern Bosnia that once were

about 70 percent of the country,

predominantly Muslim.

Serbs and Croats have offered

aimed at Mr. Izetbegovic.

does so at the whim of Serbs manning checkpoints. A Rush of Medical Help

- but I won't call it a siege."

reality, echoed recent claims by the

The Bosnian vice president, Ejup

Ganic, issued a statement Monday

night proclaiming Commander Frewer unacceptable in Sarajevo.

electricity and water. Its people

cannot leave without risking death

from Serbian snipers. There is no international mail service and no

international telephone lines. Most

everything that comes into the city

Sarajevo still is largely without

Offers of hospital beds for Sarajevo's sick and wounded flooded into the United Nations on Monday from governments under fire at home for inaction on the war, news agencies reported from Sarajevo.

Italy offered to lead the international effort by promising 450 beds—enough to clear a list of seriously wounded patients drawn up by the UN after Britain and Sweden last week offered to take in Sarajevo's most desperate cases.

By Monday afternoon, the UN said it had been offered more than 560 hospital places in 15 countries.

Mr. Karadzic, whose Serbs ■ Anger at Airlift of Soldiers would have to give up some of the Doctors treating Bosnian men territory they have seized in the war flown to Britain in an emergency airlift said Monday that several of under any of the proposed settlements, has flatly rejected Mr. Izet-begovic's demands. Serbs control them appeared to be wounded soldiers, lending weight to angry reactions in British newspapers, Reu-(AP, Reuters) ters reported from London.

Kohl Party Assails Socialists on Rally

BONN - Chancellor Helmut Kohl's Christian Democrats criticized the Social Democratic-led government of the West German state of Hesse on Monday for failing to stop a weekend neo-Nazi rally in honor of Hitler's deputy Rudolf Hess.

The manager of Mr. Kohl's party, Peter Hintze, contrasted the Hesse government's failure to prevent the rally, by about 500 neo-Nazis in Fulda on Saturday, with the police action that he said had prevented demonstrations in the state of Thuringia. The Christian Democrats lead the Thuringia government. "The SPD must know that in lighting right-wing extremism, decisive action counts more than lofty

words," Mr. Hintze said in a statement. He urged the Social Democratic leader, Rudolf Scharping, to explain whether this "laissez-faire" attitude represented the party's general approach to dealing with the far right.

The police turned out in force across Germany on Saturday to stop neo-Nazis from holding their annual rallies on the anniversary of Hess's suicide in Berlin's. Spandau prison on Aug. 17, 1987.

The Hesse state Interior Ministry said Monday that the police had been taken by surprise by a last-minute onstration in Fulda but that they had reacted quickly and succeeded in preventing clashes between far-right and leftist groups.

Rules Out Disarming Guerrillas

BEIRUT - Lebanon ruled out any security deal with Israel on Monday, but it said it was ready to send hundreds more soldiers south to the border.

In southern Lebanon, meanwhile, guerrillas fired three rockets at an Israeli Army patrol in their first attack on Israel's forces there since a cease-fire ended a seven-day assault last month Israeli artillery and tanks retaliated within minutes, pounding guerrilla-held areas north of its self-styled security zone, security sources said. No casualties were reported.

About 300 Lebanese soldiers

took up positions a week ago in a United Nations zone facing Israel's front lines. The deployment, made without consulting Syria, reportedly strained Syrian-Lebanese rela-tions, but Syria said Monday that the ties were still "strong and deeprooted."

Political sources said the Syrians had told the Lebanese that a large deployment could lead to a confrontation between the army and Hezbollah guerrillas and strengthon Israel's long-standing demand for a security deal with Lebanon.

Defense Minister Mohsen Dalhou said Lebanon would not dis-arm the guerrillas before Israeli forces left the zone they occupy. He said the token force had been sent to encourage the return of civilians.

Israel has been pressing Lebanon in the Middle East peace talks to agree to ensuring security along Is-rael's northern border and in the buffer zone it established in southern Lebanon in 1985.

Officials said five Lebanese officials - President Elias Hrawi, Prime Minister Rafik Hariri, the parliamentary speaker, Nabih Berri, Deputy Prime Minister Michel Murr and Foreign Minister Faris Bouez - met with President Hafez Assad in Damascus.

"Contrary to what the Israelis were planning, the crime against of friendly Syrian-Lebanese rela-tions," the Syrian state radio said.

Dubai Duty Free's 200th Finest Surprise Winner celebrates...



with two First Class Round-the-World tickets on KLM

Chris Keogh of the UK, winner of a Rolls Royce Bentley Brooklands and two first class round-the-world KLM airline tickets in Dubai Duty Free's 200th Finest Surprise.

Dubai Duty Free's Finest Surprise, now in its fourth winning year, offers you the opportunity to win the world's finest cars at the world's finest Duty Free. Tickets for the cars are priced at Dhs 500 (US\$139) and are limited to 1,000 bonafide departing and transit travellers. The draw date and winning number is published and each participant is advised. The car is shipped to the winner's address free of charge.

The finest collection at the world's most elegant duty free.

Flv-Buv-Dubai -

LAKSHIMI RACHAVAN Series # 207 — Ticket # 0857)

rashed s al maidiawi

of Abu Dhabi, UAE winner of the

(Series # 209 -- Ticket # 0264)

of Sharjah, WAE, whomes of the metallic Posiche 928 GIS.

roedes Benz 500 SEL



For Further information please call Dubai (9714) 2062468 or fax (9714) 241455

CONGRATULATIONS!

TIMAND H I NAZARILO des # 206 - Ticket # 0674) of Fujalesh, UAL, winner of the

210th Where ENDAZ ELIAS of Landon, UK, where of the leganen green BMW 850 Ci.

BONDS: Gambling Revenue Inspires New Bid to Collect From Mississippi

Continued from Page 1

broker and a co-founder of the bondholders' association, likens those 19th-century American bonds to investments in "emerging nation" bonds today.

The two banks failed in the United States' financial panic of 1837. Mississippi quit paying interest on the bonds four years later. In 1875, the state sought once to end the matter once and for all, passing an amendment to the state constitution specifically barring payment on

In the intervening century, revolutions have engulfed the likes of China, Russian and Bulgaria. Yet the descendants of those govern-ments have one by one seen fit to honor their prerevolutionary debts and paid off their bond-holders — typically at something like 50 cents

So conscience-ridden did defaulted governments become in the 1980s, in fact, that three years ago the Council of Foreign Bondholders. a London-based organization set up in 1868 to pursue such matters, proclaimed victory and closed down.

"There was no point in going on and continu-ing to employ staff just to deal with Mississipsaid Michael Gough, the council's last

For decades, though, the council did maintain polite pressure on Mississippi. Every time the state elected a new governor, the council would write to him, reminding him of his duty to the bondholders.

The most recent of many officials to disregard such a letter was Mississippi's current treasurer, Marshall Bennett. "It does not mean compelling need to prioritize that type of ex-pense," he said in an interview. The high-water mark in the campaign came

in 1934. Just over a century after the bonds were issued the Principality of Monaco entered the fray. As the holder of hundreds of the bonds, Monaco pleaded its case before the U.S. Supreme Court and was rejected. The court claimed a lack of jurisdiction

As many people saw it, that ruling sealed the bondholders' fate. "If people won't talk to you and you cannot sue them, then you are stuck." summed up Mr. Gough.

But then along came Mr. Barry, Mr. Seabrook and Paul Neville, a Jackson-based attor-

ney.
"I am very confident that the state constitu tion is unconstitutional," said Mr. Neville, who is now pressing cases on behalf of the European Association of Mississippi Bondholders in both state and federal courts.

Mr. Neville, who traces his Mississippi roots back to antebellum days, calls the state's stubbornness on this issue an "unfortunate blot" offi its bonor.

What spurs Mr. Neville and his clients now is the suddenly surprisingly good condition of Mississippi's finances. Two years ago, the state legalized riverboat gambling. Now, with the bigger gambling dens along the state's shores, ississippi's budget has swung into surplus.

Besides, the British bondholders argue, they

are not asking for all that much.

"Being nice chaps, we are not suing for com-pound interest," Mr. Seabrook said. One hundred and fifty-two years of compound interest on the bonds, which were to pay between 5 percent and 6 percent annually, would, be acknowledges, be an "absolutely astronomic"

Dr. Charles Baring Grant is a descendant of the Barings banking dynasty of the 19th century that sold Mississippi's bonds in Britain originally. A general practitioner in Sussex, he in-herited his bonds 30 years ago and confesses

that long ago he came close to discarding them. "I was tempted," Dr. Grant said, "but I saved them because I thought they might make good lampshades."

MOSCOW: Reign of Underworld

each trying to carve out a piece of

illegal activity for itself. through the glitzy bars and casinos in wide-shouldered suits, surrounded by bodyguards and women in short Lycra suits. They often have cellular telephones to their ears. They tend to travel in expensive

of bodyguards close behind. "This is their hour," a disgusted Muscovite said, watching a sleek Mercedes-Benz with an escort car behind flash through a red light. "They have waited this long to live this way, they don't care if they die

Western lunousines with cars full

In an interview, a top Russian police official said there were as many as 3,000 gangs in Russia, of Chicago in the 1930s."

which 150 have evolved into well-

organized fraternities. In Moscow, the police have iden-Moscow's shadier characters are tified 9 or 10 large gangs, most with not hard to spot. They strut affiliations to other regions of Rus-

> The social breakdown that accompanied the collapse of the Soviet Union has added to the sense of

"This country is going from communism to reckles said Jeffrey Zeiger, of Trenton, New Jersey, who owns two restaurants in Moscow. "Now there is a total disregard for law and order. Russian entrepreneurs are into flashiness, having fancy cars, wearing fancy clothes. Maybe it is relat-

U.S. Sees Disease Risk In Tissue Transplants By Warren E. Leary

WASHINGTON -- Concerned that hepatitis, AIDS and other infectious diseases can be spread by tissue transplants, the Food and Drug Administration will seek expanded authority to regulate bone, skin, comea and other human tissue used for more than 400,000 Federal health officials and representatives of the tissue transplant

industry say the transplants, which also include blood vest tendons, ligaments, cartilage and heart valves, are generally safe and rarely cause infections disease. But the health officials and some members of Congress contend

that new rules are needed to ensure that the transplants are effective and to prevent the recurrence of cases like one in which 61 organs and tissue grafts taken from a Virginia man who was infected with HIV, the virus that causes AIDS, were transplanted to more than 40. people. Seven were infected with the virus, and three have died. Although most tissue used in transplants is obtained in the United

States, the officials are increasingly concerned about supplies from other sources, including the former Soviet Union, that might not meet existing voluntary standards.

Tissue that is improperly collected, processed or shipped, experts said, is more likely to fail in a recipient's body, causing further medical problems.

The collection, testing, distribution and use of large organs like hearts, kidneys and livers is closely regulated. But the industry supplying most other transplant tissue is basically self-policed and follows voluntary guidelines for safety and quality. According to U.S. and industry figures, each year about 10,000

donors supply more than 400,000 tissue grafts for transplants. This compares with 16,000 transplants of whole organs from 4,500 Representative Ron Wyden, Democrat of Oregon, said he would introduce legislation to give the Food and Drug Administration wider authority to regulate tissues and to charge the industry fees to

cover some of the costs. Mr. Wyden said the increasing use of nonorgan transplant material raised not only safety issues but also questions about the handling of the tissue. There have been a number of reports of grafts that have failed because of handling problems, he said, noting that processing, and storage can significantly alter the characteristics of tissue.

Working with lawmakers, the FDA is helping draft legislation that would define tissue banks and require them to be registered and certified and to follow standard practices in obtaining, processing. packaging and distributing tissues.

In addition, tissue companies would be required to follow standard procedures in screening and testing donors and to keep demiled records on the transplant tissue and donors.

The rules would make mandatory most of the practices that are now voluntary.



Herald Eribune.

Venice's Silk Weavers KEEPING A TRADITION ALIVE

ENICE - Five centuries ago, when the silk weavers of Venice were at the height of prosperity, they were estimated to have had some 10,000 locus in operation. The sumptuous patterned velvets, brocades and damasks they produced adorned the walls of the city's grandest palaces and richest churches, covered tables, uphol-stered furniture, and garbed the very top rung of nobles and ecclesiastics. Rather heroically, it has been a small, family-run company - Luigi Bevilacqua S. L. R. - that has almost singlehandedly preserved traditional Venetian handweaving during the course of our century. though even its days, as a producer of handloomed fabrics, may be numbered.

Once, explains Giulio Bevilacqua — a hale man of 74 who has overseen Bevilacqua's two factories since the 1960s - everything was

Only two trained weavers, both in their 50s, remain at Bevilacqua's original location, working part-time.

simpler. Whole families would come to work and stay until retirement. Typically, a girl would begin the ardnous five-year apprenticeship for becoming a weaver at age 12. (He can remember only a single man, who gave up after two years, in the '50s.) "Parents would say. Now you go to Bevilacqua, and you stay at Bevilacqua. You learn. And that was that. But these days potential apprentices disappear after a week. "When I telephone the mother says. She doesn't like to work." Thus,

only two trained weavers, both in their 50s. temain at Bevilacqua's original Grand Canal location, working on a part-time basis. This is not to say that Bevilacqua is going out of business. Far from it. As the difficulties of hand weaving have steadily mounted, the alternative of increasingly sophisticated automated machine-weaving has steadily improved. And all of Bevilacqua's 3,500 antique designs continue to be available --- only now more than 95 percent of

their production is made by machine at the company's second factory on the mainland. In a single day, says Bevilacqua, with little mental or physical strain to the weaver, a machine can do what, on a hand loom, would require two weavers working an exhausting week of 40 hours. As a result, though differences in quality be-tween machine made and handmade cloth may be negligible, the latter, to be profitable, must be sold at four times the former's price. This, he maintains, has grown virtually impossible.

Part of the problem is simply that the world has changed, something confirmed with strange, shitted eloquence one afternoon, as I sit with Bevilacqua in his office and listen to him decoding the faded ink ledger entries in the old Bevilacions order book:

in 1929, four kilometers (4,375 yards) of handloomed cut-velvet for Rome's new open house (an uncluttered, early 16th-century pattern of thistles and star-shaped flowers) in dark red silk. Reordered twice (by fabric houses in New York): 1930, a commission from the Maharajah of Gwalior to reproduce his coat of arms (two pythons poised to strike, standing to each side of a blazing san face), in pank, black, burgundy and pale silver. Then, in 1940, an order for a yellow patterned velvet, supplied intermittently through 1945, for the Yellow Room of Franklin Roosevell's White House (reordered by one of his successors in the early 1970s). And, just after the war, numerous orders from, and several personal visits by, half a dozen members of the Swedish royal family. Then there was the Vatican (for whom Bevilacqua was an official supplier), and perhaps the factory's favorite visitor, the immensely popular Patriarch of Venice, Cardinal Roncalli (later Pope John XXIII). He came in 1957 and spent half the day charting with everyone, at the time more than 50 full-time weavers working 57 looms, on three floors.

But even in the middle 1950s the omens had already begun appearing. Many of Bevilacqua's workers were nearing retirement age without apprentices, and like apprentices, royal patrons had also begon to grow scarce. The kilometer of complex "green garden" velvet ordered by King Farouk of Egypt in 1950 was delivered barely a month before he was deposed (a fate that would later overtake another valued Bevilacqua client, the Shah of Iran). And often, when there were royal orders, they tended to be smaller - the most recent, from the Sheikh of Kuwait, shortly before the Iraqi invasion (for a brocade of silk and precious metals) totaled only 120 meters.

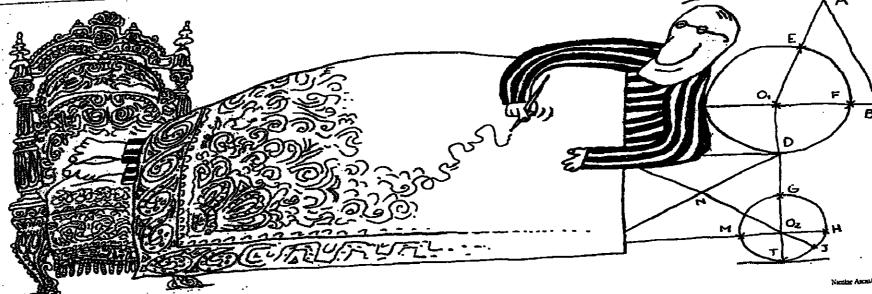
HOUGH, to an extent, luminaries of the lialian fashion world, including Valentino, Roberta di Camerino (who ordered her handbag linings here for years) and other designers, sometimes made up years) and other designers, sometimes made up for the shrinking market in brocades suitable for copes and chasables (as prices soared to \$2,000 per meter), they tended to order not costly damasks and brocades, but taffetas and bloods which after in initial couple of seasons blends which, after an initial couple of seasons, they often copied and remade themselves, rath-

er man restuer.

Increasingly, it was museums and the occa-sional restoration of a Grand Canal palazzo, er than reorder. where anything from anywhere else would have been unthinkable, that were the only regular customers for Bevilacqua's hand-loomed fabtics. The process of slow attrition had begun. At least for now, however, traditional Vene-

tian weaving will continue. In a room filled with row upon row of of idle 18th- and 19th-century looms, two women remain at work, five mornings a week. Hour by hour, their steady rhythmic clack produces 78 centimeters (30 inches) a day of the firm's only standing special order ironically, perhaps, from a customer in New York. For 26 years, in alternate months, they have been weaving one month of simulated silkvelvet leopard and one month of simulated sikvelver tiger. Tiger. Leopard. Tiger. Leopard. Almost a kind of sentence. And likely it will continue until they both retire.

Man and a Manage Goy Lesser



French Design and the Power of Politics

By Roni Amelan

ARIS - Pressure on Paris trendies to redecorate their homes for the third time in 10 years is off and France's leading design magazines are cordially inviting readers to hide the furniture they bought during the design-crazed 80s with a piece of fabric.

"Not surprising," says Pierre Staudenmey founder of the Neotu galleries of Paris and New York, who observes that because of the recession "only textile manufacturers still advertise in home decorating magazines."

"Furniture itself is out," according to design critic Thierry de Beaumont, who observes that "the high price of Paris real estate means people don't have the space for furniture."

Such mundane considerations carried no weight during the extravagant '80s when the French espoused new concepts of interior design on a scale unprecedented in this country, steeped as it is in a tradition of bon good, which has its roots firmly planted in the royal palace of Versailles.

"I bate good taste." says Andree Putman, the grande dame of French interior decoration, who introduced the loft style in France in the early '80s and educated a generation of French aesthetes. They discovered the classics of early 20th-century modernism through her company, Ecart International, which re-edited works by the likes of Eileen Gray and Pierre Chareau.

Shortly after his 1981 election, François Mitterrand commissioned a young unknown, Philippe Starck, to design and furnish a room in the Elysee Palace while the only slightly better known Jean-Michel Wilmotte was asked to design the private presidential apartments. A new official good taste was launched and a renaissance of French design was heralded.

Starck and Wilmotte, like other designers of the new generation, drew their inspiration from the early modernists. But their designs fre-

nann is discovered at Thunder

Point, off St. John Island. It will

take an expert diver who can also

handle firearms and explosives to reach the U-boat, blast it open and

retrieve the Bormann briefcase be-

fore any Kamaradenwerk sympa-

hape of an odd cone, or an uncomfortable

detail on the back of a sofa. Shortly after the Socialists' victory, Jack Lang, then culture minister, sent ripples of shock, indignation and admiration though the media when he wore a jazzed-up Mao suit by Thierry Mugler to the National Assembly. As in the old pre-Revolutionary days, the

dictates of style came from the palace.

The impact of Mitterrand and Lang. conbined with the consumerism of the '80s, helped young fashion and furniture gain star status. Most trendy Parisians loved Lang for his enthusiastic support for practically all forms of cultural and aesthetic expression. It was a glamorous time in Paris and everything new became chic - provided it hore a label.

RCHITECTS were selected by presidential committees to redesign the Paris landscape. A "simple taste for basic geometric forms" was attributed to Mitterrand on the basis of the pyramid at the Louvre, the cubic arch at the Defense business district, the spherical cinema building at the Villette science museum and the four rectangular towers of the national library that are still under construction. Simple forms, black leather, steel and chromium were the order of the day.

Advertising played a key role in the '80s fashion and design boom. The industry was experiencing a period of growth, both in business and creativity and advertising-related professions gained a new prestige. Advertising has since "floundered in public

esteem," according to Marie Brazier, artistic director at Grey Publicité, who adds that this loss of status has been accompanied by a return to a "much more traditional visual idiom." Bernard Chapuis, publisher of Vogue

Hommes, explains this return to conservative values saying that by the late '80s, people had had enough of the "fashion victim syndrome." Advertisers played a part in the stylistic

quently featured a postmodernist twist, in the renewal of the early '80s," he says, but then "they started taking themselves too seriously, contributing to their own discredit."

LA JORA

Chapuis explains the link between the Socialists and advertising: the Socialists, unlike the conservatives, were not born to a tradition of leadership so they called on advertising consultants to help them form an image" when they

came to power.

The Socialists' popularity declined in the late '80s and a new style of design - frequently described as neo-Baroque — hegan edging the neomodernists off the center stage.

The new movement was led by the couple Garouste and Bonetti, who drew their inspiration from the works of Diego Giacometu (brother of the sculptor Alberto) and decorator lean Rovère.

The first major showcase of this new movement was the gallery En Attendant Les Bar-bares, which was opened in Paris in 1989 by Frédéric de Luca and Agnes Belbeau.

De Luca defines his aesthetic ideology as "tribal" and says that it reflects an "idea of freedom, including the liberty to be inspired by other people's work. He admits that he started producing furniture in the early '80s as a reaction to the dominant modernism; "much of which was bad quality and ugly," he says.

Disenchantment with the neomodernists may be also due to the realization that while Starck and the other leading designers of the '80s proclaimed a wish to produce beautiful objects for the masses, their products were almost as expensive as the Louis XV furniture cherished by traditional French middle-class right-wing voters. The design utopia, like the political utopia of

the Socialists themselves, started sounding hol-

Design is now once again becoming a minor ity interest in France, and Staudenmeyer predicts that the next style, "a return to '50s and '60s type functionalism, will come from the

U.S." The great new age of French design appears to be over. Tentative forays into new idioms can regular-

be detected at the Paris VIA gallery while Starck continues to inspire the furniture sections of the major department stores, always a little slow to pick up on trends.

Staudenmeyer argues that "design itself is out of fashion" while de Beaumont contends that popular perception in France has turned design "into a style, just like any other." He deplores that "French manufacturers regard design as nothing but embellishment for upmarket products.

A sign of this can be seen in the traditional furniture-making district of Paris, the Faubourg Saint-Antoine, which has started producing its own interpretation of "design furniture" while it continues to sell artfully crafted fake antiques.

HE more exclusive furniture shops of Paris clearly reflect the current confusion: Each gallery valiantly continues exposing its own ideological preference and all the styles developed and discovered since the early '80s coexist side by side. De Luca compares the present to the Victori-

an era, "the first period to mix styles," he says. New impetus is not likely to come from the new center-right Prime Minister Edouard Balladur, whose traditional tastes have been well documented by the French press. Caricatures in the prestigious daily Le Monde regularly depict him as an 18th-century grandee carried in a litter. Balladur is a man of his times and the public has lost interest in the radical concepts of caviar Socialists. The 18th-century model is once again the dominant source of inspiration for French ideas about beauty and fine living. It is not easy to beat the court of Versailles at the luxury game, and it will take a major economic recovery to send French consumers on a new design shopping craze.

Runi Amelan is a free-lance journalist based in

DO14-881-877 (122-123-184

1-80**0**-369-2111

1-203-577-200 078-11-0914

1-8**0**0-**623-**0877

1-808-677-886E

I-809-577-890

960-13-001

080-900-0

1-200-751-767

19+8857

ROB-881-4TI

806-1877

960-437

001-800 121200

92 • \$100 - UT - \$77

1-200-55-200

77-92-272

0039-131

D09-16-

508-777

BB-9777

088**48-12**1

18+8047

000-999

02-161

95-800-877-800

VIII-8016

BOOK 5

THUNDER POINT

By Jack Higgins. 320 pages. \$22.95. G.P. Putnam's Sons.

GOERING'S LIST

By J.C. Pollock. 378 pages. \$21.95. Delacorte.

Reviewed by Herbert Mitgang

THE Third Reich went down in I flames in 1945, but its personalities continue to provide plots for authors of suspense fiction in the

In "Thunder Point" by Jack Higgins, the name that hovers in the ckground of the story is Reichs leiter Martin Bormann, head of the Nazi Party chancellery and Der Führer's powerful secretary. Bor-mann died in the Berlin bunker with Hitler, or so goes the official Precord. Or did he escape by submarine to the U. S. Virgin Islands and then to South America?

Higgins is such a self-assured old pro ("The Eagle Has Landed," "Eye of the Storm") that we're willing to suspend disbelief and happily go along with his premise that ann, on Hitler's orders, lived to light another day for National Socialism, taking with him certain incriminating evidence that would

CHESS

By Robert Byrne

HE game between the Man-

hattan grandmaster Joel Ben-

jamin and Aviv Friedman of Israel

in the International Open Tourna-ment, from May 1 to May 8, shows.

how a mating attack can strong ly

French Defense, 3 e5, seizes space in the most direct way. The Russian

grandmaster Yevgeny Sveshnikov has currently returned it to promi-

nence and has won so consistently

against the main defense, 3 ... c5 4

2 Nc6 5 NG Qb6 that Friedman

It might have been better for

Friedman to carry through his.

counterattack on the white center

with 9 _ Nee5 10 de a6 because 11

Bd7 Bd7 is solid while the outcome

of the pawn sacrifice with 11 Ba4

He avoided 11 _ Nes? because

12 Qe6! wins a pawn after 12 Qe7 13 Bd7 Nd7 14 Qd5. On 11 Qc7

12 Bc6!?, be avoided reconning with 12 Qc6 because 13 Bg5

makes it hard for Black to finish his

After Benjamin centralized his

king with 38 Kd4, he leveled his

pieces at the kingside with 40 Bes. 41 Rh3 and 42 Reg3. On 44 Rgh3.

Bri 45 Ke51, it would have been of no use to continue in passive mode

shifted to the rare 4 _ Ne7.

b5 12 Bc2 Nes is unclear.

intrude into a quiet endgame. The Advance Variation of the

· Ronald Searle, the caricaturist is reading "The Kenneth Williams Diaries," edited by Russell Davies. "Forty years of diaries left by a popular comic who was, in fact, a snicidal mixed-up loner. A fascinating and tormented journey. Minor Pepys, but Davies has brilliantly reduced the four million words to 825 pages. Can't read it in bed, though. It weighs 3.5 pounds."
(Mary Blume, 1HT)



be a postwar blow to the Anglo-American alliance.

The documents include a "Blue Book" that contains the names of British anstocrats and members of Parliament who admired the Nazi cause. American friends of the Third Reich are also on the list. A second paper, the Windsor Protocol," addressed to Hitler in 1940, is signed by the Duke of Windsor, to agrees to take over the throne after the Germans invade and con-

Now it's 1992, and several cometing forces discover the existence of the documents. Britain's prime minister is aware that the revelations of the "Windsor Protocol" could desiroy the monarchy. Group Four, an elite section

FRENCH DEFENSE

White enj'ush

5enj*min 29 Raci 31 Rac 31 Bac 31 Bac 31 bi 34 Ri2 35 Raci 37 Kd3 38 Rd4 39 Bac 40 Bac 41 Rb3 42 Raci 43 Rb3 44 Raci 44 Raci 44 Rb3

with 45 ... Bh5 46 g4 Rf8 47 Kd4

because Friedman could not resist

by 47 ... Ra7 in view of 48 Rg6! hg 49 Rh8 KI7 50 Rh7 Kg8 51 Ra7.

And on 47 _ Be2 38 Rg3, there

against 39 h4!, 40 h5!, etc.

would have been no defense

Friedman hoped to catch Benjamin overextended with 45 ... d4.

unaware of the New Yorker's deep

mating combination with 46 Kco!

d3 47 Kd7 d2 48 Rh7! Friedman

Rh5 50 R/3h5 Qh5 41 Rh5 is, of gave up.

British Intelligence, wants the Boymann papers to expose the traitors who favored the Third Reich, Heirs of the British aristocrats, once linked to Sir Oswald Mosley's homegrown blackshirts, want to conceal the names in the "Blue Book." And a Caribbean drug dealer, with a yacht and a gang of cutthroats, whose family had ties to the Nazi escape organization — the Kamaradenwerk, or Action for

Position after 53 . . . Kg6

course, hopeless for Black) yet after

49 R3h5 gh 50 Rh6!, the black king

was in an incredible mating net. On

50 ... Kr7 (50 _ d1/Q 51 Ke7 per-

52 ... d1/Q because of the annihi-

Friedman struggled with 52 ...

Kh7, yet after 53 Rt7 Kg6, Renja-

54 [5] The point was that on 54 ...

Kg5 55 Rg7! Kf5 (55 ... Kh6 56 f6 h4 57 Bf4 picks up the dangerous 62 pawn) 56 Rf7 Ke5 57 Rf1 wins.

After 54 _ ef 55 Rf6 Kg5 56 Rd6,

lating 53 Rb6!

tried 48 _Rh5 (48 _ d) / Q7 49 Ke7 the d2 pawn was lost and Friedman

Comrades — sees the documents as an opportunity for blackmail. The pursuit shifts smoothly from the chancelleries of London to the beaches of Caneel Bay and the scuba-diving reefs and cays in the Virgin Islands. After all these years, the wreck of the German U-boat that transported Reichsleiter Bor-

thizers. This task obviously calls for the services of Sean Dillon, a former terrorist for the Irish Republican Army, who is one of the author's unlikeliest yet most likable heroes. In a rogue operation, it takes one to catch one. Although "Thunder Point" stretches historical truth, Higgins makes the plot so dramatic that we to along for the ride because his locales are authentic and his characters realistic. The thievery of Field Marshal

Hermann Wilhelm Göring, who was in the dock at the Nuremberg war crimes trial and poisoned himself in 1946 before he could be executed, hovers in the background of "Goering's List" by J. C. Pol-lock, a seasoned author of espionage and action thrillers. But it's not Goring the war criminal but Goring the art collector who's at

the center of this unusual story. Pollock devises a caper that ha enough basis in reality to make it acceptable as factual fiction. Dur-World War II, Goring looted art collections or forced his victim to sell priceless works of art to him for a pittance of their true value.

A secret list was kept of Göring artworks. This incriminating document, revealing the illegal sales to cooperating dealers and individuals, was obtained by a former member of Hitler's SS. The list was then acquired by his son, Jürgen Strasser, a former Stasi agent who now leader of the Red Army Faction, the German terrorist group. List in hand, Strasser begins kill the vulnerable owners in New York and London and to steal their stolen paintings.

To capture the terrorist, the CIA

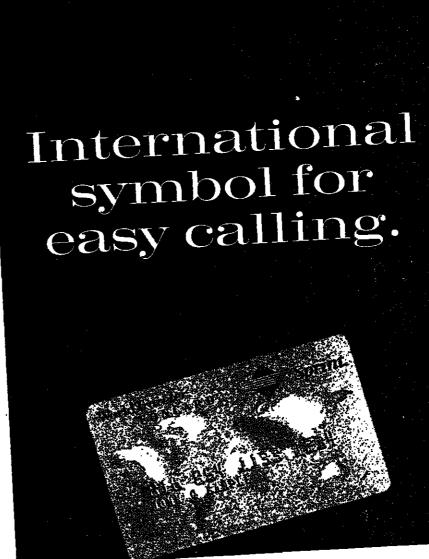
enlists the usual disgruntled opera-'Goering's List" is most original

when Pollock exposes the pompos-ity of the art world's proud collectors rather than when the machine pistols blaze away.

Herbert Mitgang is on the staff of The New York Times.

NEW FALL WINTER mits no defense against 52 Rh8 mate) 51 Rf6 Kg8 52 Ke7! there-COLLECTION was no use queening the pawn with ESCADA' Paris left bank min struck the decisive blow with

For orders FAX: (1) 42 84 24 15 Sale on Summer Collection Marie-Martine 8, rue de Sèvres.



The WorldTraveler $F\bar{U}NCARD^*$ is recognized at telephones worldwide. To reach an English-speaking operator, just dial the appropriate access number listed to the right. You'll benefit from Sprint's low rates on every international call you make. What's more, all your calls will be conveniently billed to your Visa. Mastercard, Diners Club, American Express or Eurocard if you live outside the U.S., or through your World Traveler FÜNCARD if you're a U.S. resident. And if you sign up today, you'll receive 10% off all your Sprint Express calls for six months, it's so easy, it's likely to produce another symbol recognized worldwide: a smile.

To order your free card, call the Sprint Access Number of the country you're in or call collect to the U.S. at 402-390-9083. In the U.S., call 1-800-829-3643.

Sprint WorldCupUSA94 🍇

lent have so wall for your Foriot World Travelet File CARDING to use Sprint Express You tion and today with your local telephone colling carri or be eating critical by major

Certain restrictions apply where country to country calling is assistable. Listing subject to change For current numbers, customer service or additional country calling is assistable as the country of the country calling is applied to change For current numbers. Country to country calling analysis and expenses and the country calling Both country calling as subject to the country calling as subject to the country calling Both country calling as subject to the country calling call

Eccador + 13 Salvado

05**0-12-87**7 006-12-800 Philippines (ETT) station 12-61 0009-488-8115 + Polymi + Partings Lane.577-808 - Posts Be 172 1877 + San Marmo 800U-17**7-1**77 + Section / + Small Marie 900-99-0072 صاري

825-798-811 155-0777 + Switzeries 3059-H-0577 001-999-13-877 **∠Thatea**d

· Tjerrelad & Telbrag + larkey + Vetted Arab Emi سيقون الطنبل ~ 113 L ~ U.S. Vicque D ~(bagesy + Valence Co

1-200-577-0308 1,300-177-8009 000417 172-1877

688-1-0611

0000-02-0677

nShn-866-866

1.44

SECTION OF SECTION OF

PURSHANDER PROPERTY

透透

48133 48 TRANS

13 17 ## 13 17 ## 27

AND THE BEAUTIFICATION OF THE PROPERTY OF THE

THE WASHINGTON OF STREET OF THE STREET OF TH

THE PROPERTY OF THE PROPERTY O

EACH THE STREET

1.12 .44

SECTION IN PROPERTY OF

i er eterkizetka

1,54 2냺

SENTENCE PROPERTY OF SENTENCE

[1] - [1] -

7 August 19 Augu THE PROPERTY OF THE PROPERTY O

A CONTROL OF THE PROPERTY OF T AND CONTRACTOR OF THE PROPERTY 1.169 1.28 3.070 3.17 1.94 16 20a 10 40 .S. .X. .X. .X. (X) 150 150 29 12 150 20 12 150 12 150) 220e ,866 20 1.32 211 401 The second secon

A THE THE PROPERTY OF THE PROP THE PROPERTY OF THE PROPERTY O

Particular of the state of the

· 妈妈!!!

THE PROPERTY OF THE PROPERTY O THE THE PARTY OF T erationale company of the second of the seco

THE PART OF THE PROPERTY OF THE PART OF TH THE PERSONNELS OF THE PERSONNE

THE PRESENTAL DESIGNATION OF SHEET RESIDENCE FOR THE CONTROL OF STREET SHEET S

Control of the contro

名并 紫電 考

AND THE RESIDENCE OF THE PROPERTY OF THE PROPE

THE REAL PROPERTY OF THE PROPE

PROPERTY AND THE PROPERTY OF T

,这个时间,这个时间的时候就是一个时间的时候,这种时间的时候,这个时间的时候,这个时间的时候,这个时间的时候,我们是这种时间的时候,这种时间的时候,这种时间的时

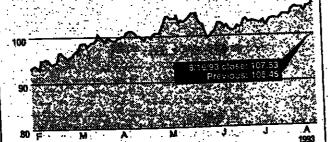
这种情况,我们也是不是一种的,我们就是一种的,我们就是一种的,我们就是一种的,我们就是一种的,我们就是一种的,我们也是一种的,我们就是一种的,我们

Marie Marie

International Herald Tribune, Tuesday, August 17, 1993



International Herald Tribune World Stock Index o, composed of 230 internationally investable stocks from 20 countries, compiled by Bloomberg Business News. Jan. 1, 1992 = 100.



The index tracks U.S. dollar values of stocks in: Tokyo, New York, London, and Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Italy, Netherlands, New Zestand, Norway, Singapore, Spain, Sweden and Switzerland. In the case of Tokyo, New York and London, the index is composed in the case of Tokyo, New York and London, the index is composed. of the 20 top issues in terms of market capitalization. In the remaining 17 countries, the ten top stocks are tracked.

| Asia/Pacific | Europe | N. America |
|-----------------------------|----------------------------|--------------------------|
| Approx. weighting: 25% | Approx. weighting: 40% | Approx. weighting: 35% |
| Close: 132.17 Prev.: 191.14 | Close: 101.79 Prev.: 99.98 | Close: 91.87 Prev: 91.56 |
| 130 UC | - υσ 1317 | 0.23% |
| 120 | | |
| 110 | - 12-46 | |
| 90 | # 22 | |
| 80 | N A M I L. A | MAMJJA |
| MAMJA 1993 | M A M 3 J A 1993 | 1993 |
| Industrial Sec | | |
| Mon. Prev. | % classes | olose close change |
| | +0.87 Capital Goods | 102.29 101.78 +0.50 |
| | un 66 Raw Materials | 106.64 105.02 +1.54 |

Services 115.02 114.73 +0.25 Trib Index, 181 Avenue Charles de Gaulle, 9252 Meully Cedex, France

86,14 -84.82 +1.56

116.32 115.56 +0.66

121.54 120.24 +1.08

INTERNATIONAL STOCKS

German Shares Prosper Despite Recession Gloom

By Ferdinand Protzman

ONN — From an unpromising start, 1993 is turning out to be a pleasant, if tricky, year for the German stock market.
A summer rally has punched the 30-stock DAX index through the 1,800 level, and some analysts are saying the DAX could approach 2,000 by year's end. Analysts' favorite stocks are banks, chemicals and Allianz AG, the big insurance company. The current optimism is quite a change from the doom and gloom prevalent at the beginning of the year. Back then, Germany was

sliding deeper into what became sliding deeper into what the World The buying focused the worst recession since World

lts powerful central bank, the on companies expected Bundesbank, was keeping interest rates high. The nation's ex-

port-oriented industry was suf-fering from a strong Demsche mark that boosted its prices abroad and economic weakness

throughout Western Europe, its main market. Analysts, alarmed by the outlook for share prices, counseled cantion. But investors ignored that advice. Prices rose in a brisk first-quarter raily, with the buying focused on companies expected to rebound most strongly in 1994 because of serious cost-cutting to rebound to the control of the efforts caused by the economic downturn.

In the second quarter, the economic background remained weak,

In the second quarter, the economic background remained weak, the recession persisted and share prices gradually retreated. Cautions analysts recommended a handful of blue-chip shares like Deutsche Bank AG, Germany's largest bank, and Allianz. Then came July and a broad rally that surprised the market and has shown no sign of abating. The DAX stood at 1,545.05 at the end of 1992. On Monday, it finished at 1,912.19, beyond the 1,800 level that the research departments of most German banks were predicting for the end of this year.

While ever-cautions market analysts warn that bouts of profit-taking could cause some fairly violent price swings over the next

taking could cause some fairly violent price swings over the next few months, optimism rules the day and further gains are expected.

There is plenty of liquidity in the market from foreign and doznestic investors. Interest rates are declining in Germany and Europe and investors are also less defensive now," said Heinrich

Europe and investors are also less detensive now," said Heinrich Ackermann, managing director of Bank in Liechtenstein (Frankfurt) GmbH. "They are buying quality, meaning stocks in comparines making a profit now, like the construction company Billinger & Berger and Continental, which is one of the few concerns in the See GERMANY, Page 11

Reginald Dale is on vacation. **CURRENCY & INTEREST RATES**

VW Posts A Profit For July

Report Coincides With New Charge It Took GM Data

By Brandon Mitchener International Herald Tribune
FRANKFURT — Amid fresh allegations that members of its top management had engaged in indus-trial espionage, Volkswagen AG landed its first real public-relations counterpunch in weeks on Monday with the news that it had posted a

profit in July.

The profit, the first by the global VW group's German parent company so far this year, was immediately heralded as a turnaround for the troubled automaker, which is Germany's and Europe's largest.

"If we keep going like this, it will take a lot of hard work, but we still have a chance to break even by the end of the year," Chairman Ferdinand Piech told German television, putting July's parent-company profit at 70 million Deutsche marks

(\$41 million). Previously, VW had reported a group loss of 1.61 billion DM for the first six months of the year. The disclosure of a single

month's profitability is a highly unusual move for VW, and comes as the company is hoping to divert attention from its vicious war of words against the Adam Opel AG unit of General Motors Corp. over José Ignacio López de Arriortúa, the company's controversial new purchasing manager, who left GM to join VW in March.

It will take weeks to consolidate group figures for the month, a spokesman said, but the preliminary parent-company figures were released "to show with numbers that we're on the right track."

Despite the positive results, however, VW shares fell 7.20 DM on the Frankfurt Stock Exchange, to 392.30 DM, even as most other blue-chip stocks rose. The reason for the VW decline, traders said, was a new, detailed report in Mon-day's issues of the German weekly Der Spiegel saying aides of Mr. Lopez copied and collected GM company series to VW grounds.
VW has already admitted to destroying GM data, but so far has

denied copying it. The magazine's report coincided with news that Kli supervisory board chief, had broken off a vacation to oversee an independent auditor's investigation, commissioned by VW, of allegations by GM that Mr. Lopez and seven associates stole corporate secreis when they switched to VW.

Citing sources within VW, Der Spiegel reported that 11 German interns and an inspecified number of Lopez associates "photocopied, manually copied and stored secret data and tables by the pile in computers" in an office complex near VW's headquarters in Wolfsburg shortly after Mr. López left GM in

The magazine, which has already forced VW to make several embarrassing confessions, described its new evidence as a smoking gun that would provide the company an ex-

caise to rid itself of Mr. Lopez. In a separate commentary, the magazine's publisher described Mr. Lopez as an "esomaniac" who had "bewitched" Mr. Piech, other members of the VW board of directors and several politicians who had lent

the Spaniard moral support. But Mr. Piech, in an interview Monday with the German all-news television station N-TV, again stood behind his charge. "I'm convinced this man did not do the things people say he did," Mr.

Adam Opel, the big German op-erating unit of GM, is VW's chief competitor in Europe.

As announcements of cutbacks accumulate, meanwhile, Opel on Monday announced a 500 ullion DM expansion at a plant in Kaiserslauten, Germany.

The New Face of China Carving a Niche in Makeup and Marketing

By Lawrence Malkin

International Herald Tribune

NEW YORK — For generations, the lure of the China trade has been the hundreds of millions of Chinese themselves. Anyone who could corner the market for toolknesses a second corner the market for toolknesses as a second corner the market for toolknesses as a second corner to the contract of the contract market for toothpaste or soap in the most popunous nation on earth could count lous and homogenous nation on earth on cash flow like the Yangtze River.

Open this market to Yue-sai Kan and you have an object lesson in the tricks of customized marketing in China with a bonus of some of the lore of guanxi, the Chinese combination of political connections and personal contact essential for doing business in a pre-Enlightenment society of men,

n naws. "All business is cultural," says Ms. Kan, herself a cross-cultural phenomenon who ought to know. Although hers is the best-known face on Chinese television -an instant marketing advantage for any cosmetics producer — she is an American capitalis to the tips of her fingernails, which have been painted with her own brand of Chinese red enamel. Although she spends most of her time in China

nowadays, home is a town house off Sutton Place in New York, which she shares with her husband, James McManus, who runs his own multimilliondollar marketing business and who provided advice during the three years it took to set up a factory in the Shenzhen Special Economic Zone and organize a national marketing network. All told she has 150

employees.

She is her own best advertisement for her line of the she own best advertisement for her line of the she of t 45 beauty products, including lipsticks, rouges, moisturizers and night creams made with Chinese barbs. I appealed only the company of the co herbs. Launched only six months ago, they are already selling in half a dozen cities in 15 department stores, where trained saleswomen teach the art of makeup. Her digitally enhanced photograph hangs over every Yue-Sai cosmetics counter and is the brand's logo.

"My face is Asian — black hair, dark eyes, small nose, round mouth - and billions look like me," she

said. "Nobody ever cared about my makeup needs. I don't want shiny eye shadow; I have puffy eyes. You need to minimize your nose, I need to bring mine out. The standard of beauty that has been pushed on Asian women has always been the beautiful, blonde-haired, blue-eyed woman. What is chic in Europe is

what you had to copy everywhere.

"I decided I was not going to be victimized any more as an Asian woman. If someone had really done something like this for me before, I wouldn't have gone into China."

Targeting the Chinese market with her own brand was the rationale for her \$4 million investment in Yue-Sai cosmetics. She declines to give any figures but says her business began making

'My face is Asian and billions look like me. Nobody ever cared about my makeup needs.

Yue-sai Kan, cosmetics executive

comfortable profits right after last fall's launch, and she foresees no difficulty in meeting her plan to recoup her investment within four years. She does not expect the government slowdown

now under way to put a serious dent in her finances. Indeed, she warned that the Chinese economy "can get way out of hand, and thank God for centralized government to control the pace when they are trying to modernize all those people

To be fair to her international competitors, successful ones like Avon have adjusted their product line to the demands of Chinese women, and Avon is even manufacturing in China for export. Avon officials have a healthy respect for Yue-Sai See MAKEUP, Page 12

Continental to Cut 2,500 Jobs

Compiled by Our Staff From Dispatchs HOUSTON - Continental Airlines said Monday it would chiminate 2,500 full-time jobs and halt service in nine cities after losing

\$24.4 million since emerging from bankruptcy protection in April. The announcement came less than a week after Northwest Airlines and Continental lost the \$3 billion lawsuit on alleged predatory pricing that they had brought against American Airlines. Continental officials said the job cuts were not related to the outcome of

The job cuts, the first announced since Continental emerged four months ago from two and a half years under Chapter 11 bankruptcy

of the 42,000 people employed by

While losses between April 28 and June 30 totaled 524.4 million. losses in the three-month period ended on June 30 a year earlier had totaled \$99.2 million. Results were reported in the separate periods to reflect different accounting procedures for the company before and after its emergence from bankruptcy protection. While the results are less than

we could have hoped for," said Robert Ferguson, president and chief executive of Continental, "we record revenue and traffic growth (AP, Renters, UPI, Knight-Ridder)

protection, cover about 6 percent rates generally in line with those of our industry competitors."

The staff reductions will be completed by the end of the year, Continental said, and would come in part from attrition. Of the nine cities scrapped by the

airline, three are in the United States: Bismarck and Minot, North Dakota and Spokane, Washington will lose service on Sept. 30. Internationally, Continental will no longer serve Australia or New Zealand after Oct. 30. The airline

will cease operations in Vancouver, British Columbia on Oct. 1 and service to Puerto Plata in the Dominican Republic on Sept. 7.

The Bank of Japan intervened heavily to deflect the dollar's fall

"Japan's huge trade surplus has

ing the appreciation of the currency

Dollar Slides On Weakness In U.S. Rates

LONDON — Dealers turned on the dollar Monday, pushing the Compiled by Our Staff From Dispatches the dollar Monday, pushing the U.S. currency sharply lower as they focused on interest-rate differentials with Europe and the remorse-

less demand for yen. The Federal Open Market Committee, the policy-setting arm of the U.S. central bank, is to meet Tuesday, and financial markets have been speculating it might vote to reduce interest rates to give a boost to the slowly expanding economy.
While few analysts have said that

is likely, sears that the Federal Reserve Board might raise rates seem to have evaporated as the U.S. economy shows no signs of price inflation and little strength. "Dollar selling has clearly be-come the path of least resistance.

with a series of weights holding it down across the board," said Juoni Kokko, international economist at S.G. Warburg in London. "Tomor-row's FOMC's a big influence though. While overnight talk of the Fed moving to an easing bias are a bit silly at this stage, that's just the type of speculation that will weed out the dollar."

The dollar fell to 1,6869 Deutsche marks from 1.7123 on Friday. and it dropped to 101 575 yen from 101.900

toward 100 yen, but dealers thought it was just wasted effort given the unrelenting demand of U.S. investment funds and corporate Japan for the yen and the conspicuous absence of other central banks.

become an embarrassment. Last week the yen appreciated against the dollar and the European Monetary System in direct response to the reported \$11.8 billion trade surplus for Japan in July," said Carl Weinberg, chief economist at High Frequency Economics. "This week the U.S. trade deficit comes into

the spotlight," he said. The government is scheduled to report the June merchandise trade deficit on Thursday, In May, the United States incurred a \$8.4 billion gap, and economists said that would widen by at least \$1 billion because of steeply rising imports. The Unit-ed States and European countries seem happy to let the yen rise, hop-

will make Japanese companies u

Japan was buying marks for yen. said Steve Flanagan, a ven dealer at Mitsubishi Bank in New York, and so were many European central banks, to replenish their stock of marks. Also, many U.S. fund managers were taking profits on

long yen positions."

But Mr. Flanagan said the underlying reason was speculation a

See DOLLAR, Page 10

Franc Hits Postwar Low Against DM

LONDON - The French franc came under renewed attack Monday, falling to its lowest point against the Deutsche mark since the German currency was created

The franc traded in London as low as 3.5490 francs to the mark before recovering slightly on profittaking to close in Europe at 3.5385 francs, down from 3.5330 francs at the end of last week. The Paris market was closed for a holiday. Since the widening of the bands

within the European Monetary System on Aug. 2, the French currency has fallen by more than 3 percent from its old floor within the monetary grid, of 3.4305 francs.

Analysts said the market was pressing the franc as a result of the reluctance by the Bank of France to cut its interest rates.

In a newspaper interview, François Mitterrand was quoted Monday as saying in his first reaction to last month's market turmoil that speculators had not been trying to bring down the franc but the entire exchange-rate mechanism. "Rather than draw the conclu-

sion that the system is unnecessary or dangerous, I think on the contrary that it would be advisable to consolidate it." he said. (Reuters, AFP)

Seoul Moves To Soothe **Investors**

AFP-Exid News SEOUL - The South Korean government is preparing a package measures to ease nervousness in the stock market prompted by its ban on the use of aliases in financial

transactions, officials said Monday. The news prompted a sharp rally in stocks, with the Korea Composite Stock Price Index gaming 25.00 points, to 691.67, after losing more than 59 points Friday and Saturday.

Prime Minister Hwang In Sung was reported as telling the National Assembly that, among other mea-sures, the government would seek special support for small and medium-sized companies.

"In order to calm investors in the stock market, the government will introduce market-stabilizing measures, including one that encourages institutional investment," press reports quoted Mr. Hwang as saying.

Market sources said the government also was considering raising imits on foreign share ownership beyond the current 10 percent.

Seeking to curb tax evasion and corruption, President Kim Young Sam announced a decree Thursday banning aliases in financial deals.

ECU

a -=8 ^-7 %-7 %

Yeл

How a BCCI Case Was Lost in U.S.

By Kenneth N. Gilpin New York Times Service NEW YORK — The acquit-

tal of Robert A. Altman of all criminal charges by a New York state jury was a stinging defeat for the Manhattan district attorney's office, which had indicted the Washington lawyer on nine counts of fraud and bribery a little more than a year ago.

But lawyers familiar with the case said the loss, which came Saturday, might have been avoided if the district autorney's office had sought a much narrower indictment.

That was the approach taken by the Justice Department when it indicted Mr. Altman in an alleged scheme to deceive banking regulators about the takeover of First American Bankshares Inc. by Bank of Credit & Commerce International. That indicument was handed down the same day as New York's, but the federal case was dismissed in April, without prejudice, in deference to the trial in Manhattan.

Ana Cobian, a Justice Department spokeswoman, said that no decision had been made about whether to pursue the case, but

after the verdict that "this is a prosecution that never should have been brought." The prosecutors made prom-

no lawyers interviewed expected that to happen.

The jurors left little doubt after the trial that they agreed with Mr. Altman's statement

ises they failed to fulful, starting by calling the tale the jurors would hear a "fairly simple case." But the prosecutor took 45 witnesses and more than

was, in fact, a complex tale. Mr. Altman's lawyers, led by Gustave H. Newman, used lengthy cross-examination and procedural delays to stretch out the time it took the prosecutor

to tell his story.
Prosecutors claimed that Middle Eastern investors represented by Mr. Altman and Clark M. Clifford, his former law partner, had in fact been front men for BCCL the rogue bank that was closed by regulators in 10 countries two years ago amid claims of widespread fraud. The district attorney's office said the losses resulting from BCCI's corrupt activities were estimated at \$12 billion. But none of that money was lost

in the United States.

To many, this looked like a victimless crime," said John C. Collec, a law professor at Cohumbia University Law School. The absence of an evident victim does present a problem, and it is very difficult to get a jury in a white-collar case to convict a defendant with circumstantial evidence."

Prosecutors also failed to highlight the essence of their allegations against Mr. Altman: that his actions betrayed an inherent trust shared by regulators, bankers and depositors.

Throughout the trial, defense lawyers pounded the theme that Mr. Altman was being used as a capegoat for regulators who had been told all along of First American's connections with BCCI, but had chosen to cover up that knowledge after the scope of the bank's misdeeds

The rise of the yen On-going tensions in the currency market A balancing act on trade A buffer zone near Sarajevo

news which affects all of us. Shouldn't you be following it daily in the IHT?

and save up to 410/0 off the newsstand price CALL US TOLL-FREE IN AUSTRIA: 0660 FISS FRANCE: 05 437 437 GENHANT GEN 848585 GENHANT GEN 548585 GENHANT GEN 548585 the send in the coupon below

3.300 ___ 6,000 DK) 3,400 \$8 FM 2,400 40 700 - ' head delive') 3,500 36 Postugal 9 Ku Sweden (amnus 190 235 780 900

Yes, I want to start receiving the IHI. This is the subscription term I prefer (check appropriate baxes):

17.8.93 12 months (364 issues in all with 52 bonus issues).

6 months (182 issues in all with 26 banus issues).
3 months (91 issues in all with 13 banus issues). Ny check is enclosed (poyoble to the International Herald Tribune).
 Ny check is enclosed (poyoble to the International Herald Tribune).
 Please charge my: □ American Express □ Diners Club □ VISA
 □ MasterCard □ Eurocosd □ Access

Credit card charges will be made in French Francs at current exchange rates. EXP DATE
SIGNATURE
FOR BUSINESS ORDERS, PLEASE INDICATE YOUR VAI NUMBER

(IMT VAT number: FR747320211261) C. Mr C. Mrs C. Mrs FAMEY NAME PERMANENT AEDRESS. : HOME :: BUSINESS____

This offer expires September 30, 1993, and is available to new subscribers only

Herald Eribune.

1245 - 1250 1245 1245 - 1250 1275 1217 1440 1245 224 1254 1245 **Key Money Rates** 178 2744 1880 278 1880 2189 4784 1784 1882 2550 2551 2467 2267 51261 2187 Unitied States

Aug. 16

| Values | Per S | Currency | Pe Other Dollar Values

6.00 572 5 % 6.86 Discount rate
Prime rate
Prime rate
Patent tends
Lement CDs
Ceees, paper 18 days
Lement Treasery bill
Lyear Treasery bill
Lyear Treasery pate
Lyear Treasery pate
Lyear Treasery pate
Lyear Treasery pate
Lyear Treasery safe
Mayor Treasery safe
Mayor Treasery safe
Repetr Treasery boad
Marriii Lyear Re P.M. 373.35 373.48 A.M. 373.25 373.50 373.50 374.98 New York 173.50 374 U.S. dollars per nunce. Lond Ings: Zurich and Hew York an

3 %3 % 6 %6 % 4 %4 % 5 % 5 % 10 %10 % 2 % 3 %

5%5% 5%5%

U.S. \$500,000,000 National Westminster Bank (Incorporated in England with limited liability) Primary Capital FRNs (Series "B")

In accordance with the provisions of the Notes, notice is hereby given that for the six months interest period from August 16, 1993 to February 16, 1994 the Notes will carry an Interest Rate of 3.6875% per annum. The interest payable on the relevant interest payment date. February 16, 1994 against Coupon No. 18 will be payment date, recruiary to, 1994 against couplet No. 16 will be U.S. \$1,884.72 and U.S. \$188.47 respectively for Notes in denominations of U.S. \$100,000 and U.S. \$10,000.

By: The Chase Manhattan Bank, N.A. London, Agent Bank

Big Phone Buyout Lifts Share Prices

Compiled by Our Staff From Dispatches NEW YORK - Stock prices moved higher Monday on the New York Stock Exchange after news of a multibillion-dollar takeover sparked buying of communications

The Dow Jones industrial aver-

N.Y. Stocks

age was up 9.50 points to 3.579.15. Advancers outpaced decliners by a margin of 3 to 2 among common stocks on the New York Stock Exchange. Trading was moderate, with about 229 million shares changing hands.

'Among the most active issues was Raiston Purina Co., unchanged at 3414. The company said that it was analyzing the possible spin-off to shareholders of its cereal, baby-food and other small-grovery human-foods businesses. A jump of 21/8 in Aluminum Co. of America stock, to 73%, helped the blue-chip indicator erase a decline

earlier in the day that reflecting dividend-related adjustments.
The Nasdaq Combined Composite Index soared 8.64 to a record 726.89. shattering its old high of 718.77 set Aug. 11. The rise was spurred by gains in Intel. Microsoft Corp., McCaw Cellular, and LIN

The American Stock Exchange Market Value Index also set a high. closing up 2.25 at 441.33. surpassing the old high of 440.95 set June 4. B oadcasting Corp. Peter Sullivan, head of institutional trading at Tucker Anthony

Continued from Page 9

Thursday meeting of top Japanese economic advisers, organized with the goal of stimulating the nation's

economy, may lower interest rates.

"If that's true, and it succeeds in

lifting Japan's economy, the U.S. may well throw in the tower on the

Foreign Exchange

question of urging a higher yen to stem Japan's trade surplus. Mr.

Among the European currencies.

meanwhile, the mark cut into the

dollar's recent gains. There is a

Bundesbank repurchase tender

cheduled for Tuesday, and Rich-

ard Benzie, an analyst at Union

Bank of Switzerland, said an inter-

est-rate cut was not expected. He

said there was "not much room for anything more to be squeezed out

of the rate after the recent cuts."

The interest rate on German call money was about 6.80 percent on Monday, up from 6.75 percent on Friday. By contrast, the U.S. federal funds rate on overnight interbank loans was about 3.313 percent, up from 3.188 on Friday.

In the bond market, U.S. rates

Flanagan said.

Inc., said news that American Tele phone & Telegraph and McCaw Cellular Communications planned to join forces encouraged investors and led the market higher. The companies announced that AT&T would buy all of McCaw through a \$12.6 billion stock swap.

هكذا من الأصل

Those stocks have been the market leaders," he said. AT&T, a component of the Dow industrials, fell 1% to 60%, McCaw, which is traded on the Nasdaq system. jumped 5 to 56% in heavy

Other communications issues rose in sympathy with McCaw. LIN Broadcasting, which is 52 per-cent owned by McCaw, soared 12%

British Telecommunications. which owns 35.8 million shares of McCaw, was ahead 21/8 to 66% on the New York Stock Exchange. Meanwhile, economic news failed to give Wall Street much incentive to buy or sell.

The Fed report said output at U.S. factories, mines and utilities grew by a moderate 0.4 percent in July after a two-month slump. The gain in the Fed's industrial production index was the largest in five months and came despite a de-

crease in auto production. Intel Corp. was the most actively traded over-the-counter stock, ris-ing 4% to 64% after Standard & Poor's said it expected the company to remain the dominant supplier of microprocessors for personal computers. (AP, Bloomberg)

also fell Monday. The bellwether 30-

year Treasury issue rose 20/32 to 99 9/32, reducing its yield to 6.30 percent from 6.35 percent on Friday.

The dollar's fall below 1.70 DM

set off technical selling that added to its weakness. "People started

taking out stop losses and other

people just jumped on the band-wagon," said a dealer at a German

bank in London, adding, "when

1.7020 and 1.6980 went everyone started really paricking. The mar-

duction to power air conditioners.

"Sentiment has turned against

the dollar," said Paul Farrell, chief

foreign-exchange dealer at Chase

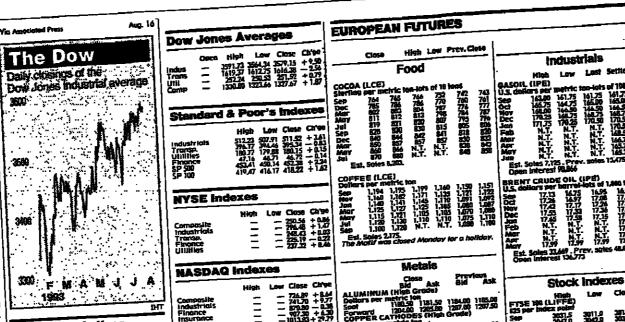
Manhattan Bank "People think

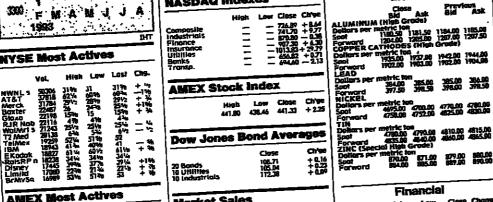
the U.S. economy is going nowhere

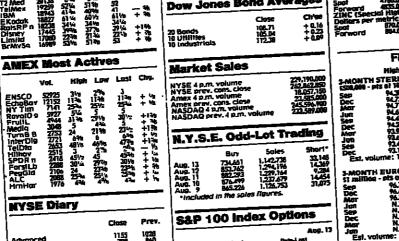
The dollar fell to 1.4960 Swiss francs from 1.5245, and to 5.9805 French francs, from 6.0588. The

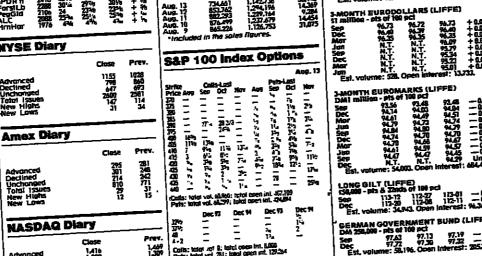
ket is basically a herd of sheep." The market was unimpressed by a Fed report that industrial produc-

DOLLAR: Low Rates a Detriment









U.S./AT THE CLOSE

Unch. - 0.50 - 0.25 Unch. - 0.25

16.75 16.97 17.17 17.33 17.58 N.T. N.T. 17.99

Spot Commodities

wrce: UPI.

123.7 123.7

213.20 214.20 207.80 211.00 207.80 201.50 206.60 207.30 206.60 207.30 205.50 206.50 205.50 205.30 201.60 205.30 201.60 205.30 202.20 205.20 197.80 197.80

22.96 22.96 23.12 23.46 23.47 23.46 23.47 23.48 24.48

75.17 74.90 75.45 75.86 76.75 72.27 74.75 74.37 75.10 75.40 76.62 73.45 72.22

> 88.20 86.85 85.85 86.75 86.00 84.65 84.00 83.25 80,20 17,05 16,20 86,77 84,05 84,90 84,90 84,90 84,90 84,90 84,90 84,90 84,90 84,90

90.70 45.55 45.55 45.65 46.75 46.70 47.90 45.07 45.00 44.70 48.85 48.85

7.15 7.15 Jun 7.14
7.15 7.16 Jun 7.16
7.16 Jun 7.16
7.16 Jun 7.16
7.16 Jun 7.16
7.16 Jun 8.16
7.17 Jun 8.16
8.18 7.19 Jun 8.16
8.18 7.19 Jun 8.16
8.18 7.19 Jun 8.16
8.18 1.29 Prev. Soles
Prev. Dor Open Int. 14473 off
7.16 Jun 8.16
7.16 Jun 8.16
7.17 Jun 8.16
7.18 Jun 8.1

Sep Dec Mar May Jui Sep Dec

Prev. Day Open Int. 46,600 in SUSSESSION TO 11 (NY CSCE)
112,800 in Sussession To 12,800 in Sussession

+.05 +.10 +.06 +.10 +.10 +.10 +.05 74.80 74.67 75.20 75.57 76.67 77.41 72.15

> 55.77 45.77 45.77 45.79 45.79 45.79 45.79

> > +13 -135 -175 -175 -175

71.40 74.45 77.90 77.90 77.90 84.50

9,12 9,30 9,42 9,42 920 924 934 939 939 939

Sep Dec Mar Jun Sep Dec Mar Jun Sep Dec Mar

96.77 96.37 96.34 96.34 96.37 95.72 95.22 95.22 95.22 95.22 95.22 95.22 95.22 95.22 95.22 95.22 95.22 95.22 95.22 95.22 95.24 95.24 95.25

96.73 96.74

MURICIPAL Denotes (MAIN CONTROL OF MAIN CONTRO

Certain offerings of securities, financial services or interests in real estate published in

America, and do not con

Factory Output Edged Up in July
WASHINGTON (Combined Dispatches) — Increased manufacturing
of consumer goods helped boost output at U.S. factories, mines and
philities by a moderate O.A proport in July after a transmitted disparate the utilities by 2 moderate 0.4 percent in July after a two-month slump, the (A Ru

government said Monday.

The gain in the Federal Reserve's industrial production index — the best in five months — came despite a decrease in auto production. It was bolstered by increased electrical output needed to power air conditioners

during a heat wave on the East Coast.
The plant-use rate rose to \$1.5 percent from \$1.3 percent during June, Economists are hoping the advance in the indexes signals the start of a

shift out of stagnation in the industrial sector this year.

Buffett to Raise Salomon Stake

NEW YORK (Bloomberg) - Warren Buffett, Salomon Inc.'s biggest shareholder, said Monday he planned to make his stake even bigger.

A group led by the investor, whose Berkshire Hathaway Inc. investment company also owns chunks of Coca-Cola Co., General Dynamics Corp. and Wells Fargo & Co., filed with the Securities and Exchange Commission for seeking government approprial to raise its stake to at least Commission for seeking government approval to raise its stake to at least 15 percent. Mr. Buffett now owns the equivalent of 14.3 percent of Salomon, whose shares surged \$2.75, or 8 percent, to \$48.50, on the news.

Textron to Offer Unit to Public

PROVIDENCE, Rhode Island (Combined Dispatches) — Textron Inc. said Monday it planned to offer 7.5 million shares of its insurance inc. said Monday it planned to offer 7.5 million shares of its insurance inc.

Inc. said Monday it planned to offer 7.5 million shares of its insurance subsidiary. Paul Revere Corp., to the public.

The maker of helicopters and combat vehicles will sell up to 19 percent of Paul Revere in an initial public offering that could raise as much as \$213 million, based on a maximum share price of \$25 that Textron used to calculate the registration fee for the offering.

(Reuters, Bloomberg)

Reynolds Announces Cutbacks

RICHMOND, Virginia (Bloomberg) — Reynolds Metals Co. said Monday that it would cut aluminum production 9 percent by late October and slash 350 jobs at two U.S. plants in an attempt to counter the problems of global oversupply and depressed prices.

Reynolds, the second-largest U.S. aluminum producer, will take an after-tax charge in the third quarter of \$8 million, or 13 cents a share, to pay for the plan that curtails production by 88,000 metric tons.

Transco Energy to Settle Suit

HOUSTON (Bloomberg) — Transco Energy Co. said Monday that it had agreed to resolve a year-long legal battle with Corpus Christi Gas Gathering Inc. that could result in a \$50 million pretax charge to Transco. The proposed settlement calls for Transco to take possession of 300 miles (486 kilometers) of onshore and offshore natural-gas pipelines in the Gulf of Mexico that the two companies built in a joint venture. In exchange, Transco will make unspecified cash payments and issue Transco stock to Corpus Christi Gas Gathering.

| Veekend Box Office | _ |
|--|--|
| The Associated Press LOS ANGELES — "The Fugitive," starring Harrison Ford, ea almost as much in its second weekend as in its debut. Following and almost as much in its second weekend as in its debut. Following and start and second weekend as in its debut. Following and extended upon the followi | lation la |

tion rose a moderate 0.4 percent in July. The increase came after two Globex Struck by Discord falls, and half of it was attributed to a temporary rise in electricity pro-

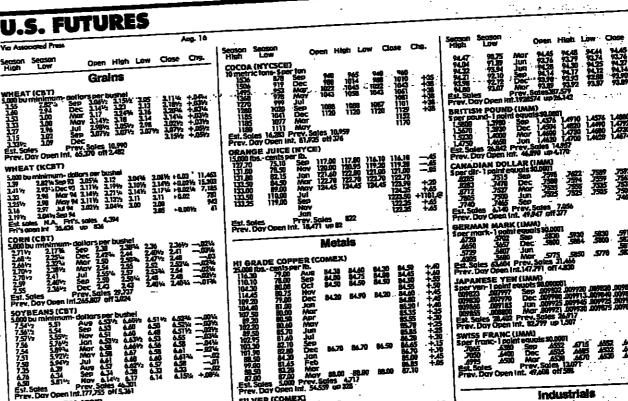
The Associated Pre-

CHICAGO - The chairman of the Chicago Board of Trade has accused Chicago Mercantile Exchange Chairman Jack Sandner of under-mining efforts to expand the exchanges' Globex trading system.

Patrick Arbor, chairman of the Board of Trade, said Mr. Sandner had acts" that had "virtually fractured" Globex. Mr. Sandner called Mr. Arbor's statements a

Mr. Arbor's letter was written after the London International Financial Futures Exchange decided last week to break off talks on joining the 24-hour Globex network. The board of trade had decided earlier to bar the London exchange from listing its German bonds contract on Globex. pound rose to \$1.4895 from \$1.4595. (Rewers, Bloomberg, Knight-Ridder, AFX, UPI)

U.S. FUTURES



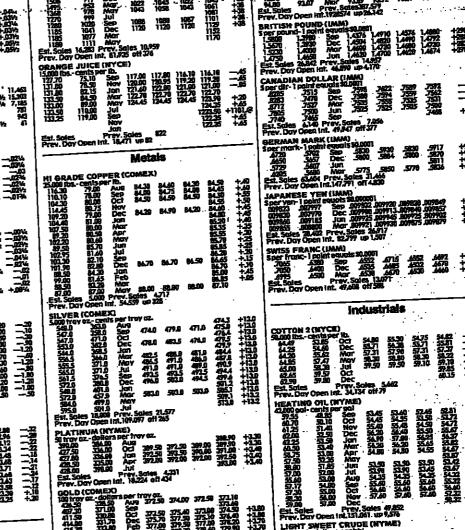
WORLD STOCK MARKETS

São Paulo
Bonco de Brosli
Bonesco 175
Brodenco 176
Brotenta
Perrotaros 176
Telebros 176
Telebros 176
Varia Ria Doce 170
Beresso index ; 77278

| igence France Presse Aug. 16 | | Close Prev | Close Prev. | 1950 | 1050 275 | er A 1.70 1.69 | 27012 259 255 |
|--|--|--|---|--|--|--|--|
| Close Prev. | Cigse Prev. | te 6.30 6.36 | | Doi Nippon Print 1680 | 1670 ECD | illy Silver A 1.11 1.18 | 255 Est. Sc |
| | Kymmene 89 90 L | . 135 135 D | Singapore | DOCTOR HOUSE 1440 | 1460 FC | | Drev |
| Amsterdam | (Mokid | 6901 681 612 547 | City Dev. 17-10 1280 | FORMS 2480 | 7년 [명 | 340 1/2 | 1 SOYB |
| ABN Amro Hid 65 64-40 ACF Holding 41-60 41.70 Accom 90.10 90.50 | Pepgio 87.50 89.20 | | Fraser Neove 1440 1440 | 1-Ceiii 11-1 795 | 795 Gen | 7 7 | 5,000 to 7,540 7,567 7,56 7,56 7,56 7,51 |
| TE 94 10 91.70 | (SIDERIKER) | 158 5.00 | Genting Pi 134 132 | Hitochi cable 835 | 215 1 Gu1 | 11 C00 KES 1702 | ' [源] |
| ~'4⊻ ?? £0 73.40 | HEX Index : 1427.92 Previous : 1441.30 | 14011463 | How Par | Honda 1376 | ALIO Het | es infl mto Gid Manes 13% 13% tilinger 15% 15% | 【湯 |
| Amst Rubber 235 230 | \\ | H1111731 174-11 4.85 | Inchese 815 825 | Ito Yokoou ATZ | | illinger 15% 1 | |
| 59 AO 59 LD | 110113 | Parlington 177 197 | Keppel KL Kepong 226 219 Lum Chang 122 123 Lum Chang 916 916 | Joseph Airlines 796 | 3370 Im | | |
| DAF 98.60 97.60 | BLE EST ASIO 10.30 10.20 | Priversen 125 127 Priversial 125 127 | WORK TO THE PARTY OF THE 20 TO 20 | r mensoki Steel 382 | TOR! INC | | 6.76 6.50 Est. 5 |
| Elsevier 73.50 23.6 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | Beckitt Col 188 191 | 1000 | Komolsu Bis | 824 15 | nnock 16-4 16-4 16-4 16-4 16-4 16-4 16-4 16-4 | Prev |
| GIST-STOCOGCS 278 27 | 11.80 11.80 | Regiona 6.68 6.65 | OUE 4.55 6.70 OUE 11.90 12.20 Semboracone 11.90 12.20 | Kubala A200 | 6170 1 12 | phigns Co 22% | 100 to 241. |
| Herreken 48.40 49.2 | 0 1 10 10 10 10 10 10 10 10 10 10 10 10 | Reulers A12 A1 | Shansrila 3.08 3.16 Sime Dorby 6.65 6.55 SIA 4.60 4.31 | MOTSUE ELECTIVES 1150 | 1130 X | concinia 21% Z | 2 2 |
| Humler Douglos 32.70 34.50 | 14.20 14.30 | Rolls Royce 150 65 | Shore Land 4.40 4.30 Shore Land 12.60 12.11 | Alitsubishi Bk 2960 Mitsubishi Kosei 531 | 530 M | ork Res octeon Hunter 12's 12's | 240 |
| Inter Mueller | 1 HK Electric 1839 1640 | PTZ 685 65 | Sing Steamship 178 | | i 713 i # | 57: 51 | |
| NLW 77.40 17.7 | 1 HK Reply Trust 13.50 13.60 | Scinsbury | Stroits Troding 8.85 8.9 | Mileublahi Corp 127 | 2 BCC N | prondu inc | 1 250 |
| Hedloyd Sin Si | 10 HSBC Holdings 84 87 50 HK Shana Hils 8.65 6.75 90 HK Telecoram 11.40 11.30 | Scal Power 3.48 1.15 1.15 1.15 1.15 1.15 1.15 1.15 1.1 | Straits Times ind.: 1922.89 | MISUKUSII 161 | 5 896 N 0 1625 N | | : 376 |
| Oce Grinlen 50 50 41.50 | 90 HK Telecomin 22.90 22.40 | Severn Trens 5.24 5.2 Severn Trens 6.62 6.4 Snell 6.63 6.4 | Straits Times and : 1922.89 Previous : 1917.87 | Matsumi NEC NGK Insulators 118 | กาเสยเพ | ithern Telecom 311/2 30's 30's 30's 30's 30's 30's 30's 30's | ⊵ ! 194 . |
| Polygram 1570 64 | 40 Hutch Whomson 16.40 16 | Silver Stanbour 1.44 1/ | | LULES COCK 1925 1.54 | 1 350 9 | oguria A 248 2 | 207 57 Est. 24 Pre |
| Redamer 57.96 59 | | Smith Kline B 4.33 | 74 205 % | | | Poco Petroleum PA | <u>নি</u> soগ |
| Porento 93.50 93 | 70 Kowloon Motor 7.90 7.80 | Sun Alliance 3.98 3 | 98 AGA 493 4 | Nippon Oli Nippon Steel Nippon Yusen | | Ovebec Sturgeon 0.60 B. | 문 60일 |
| Royal Dutch 187,20 186 Stork 173,40 190 | 30 Miromer Hotel 15:10 15:10 50 New World Dev 20:50 20:31 50 New World Dev 30:25 38:51 20 SHK Preos 39:25 38:51 | Tate & Lyte 272 2 | A DUIGA | as Nisson | 20,2220 | Reyrack Renaissance 31% 31 | 3 1 3 |
| TIMESON TO THE TOTAL TO THE TOTAL TO | 295 39 | Tornkins 228 Z | 26 Electronux B デラ 3 | NTT Certical 12 | 60 1250 I | Romanicas 102 | |
| /on Ommeren 130.50 127 /NU 130.50 127 /NU 130.50 97 | 20 Swire Pac A 3975 1 Tal Cheung Pros 930 | Unilever 10.08 | in Handelsbanken 138 | 39 Pioneer : | 23 790 | Royal Sank Can 27% 27 Sceptra Res 12% | 12 2 |
| CB5 trend indez : 127.90 Previous : 127.90 | TVE When Hold 20.40 20.5 | Und Biscoms 5.22 5 | Horsk Hydro 208 308 | SO SORING FIRE 17 | 46 1463 | Royal Sank Call Sceptra Res Scatt's Hosp Second 74s Second 74s | 25 3 |
| Piggines : | Wing On 187 1150 114 | ANDL FROM 24 | A2 Procordid AF 100 | 78 Shimozu Cham 15 | 92 793 130 1340 170 4380 20 240 | Sears Con 7/2 Shell Con 36 to 3 Sherrist Gordon 870 | 7 2 |
| | World 1011 10.10 1 | Whiteread 140 Whiteread 140 Whiteseread 2.26 | 18 Sandvik B 140 18 SCA-A 69 69 33 S-E Banken 69 69 | 50 Som 164 Sumitomo Bk | 70 (28) | Sherrin Gordon 879 SHL Systembee 13% 1 | 376 F |
| | Honey 3617 7392.25 | Willis Correon 2.28 | Skonoin iss | 155 Sumitorio Cierry | 070 467 010 1970 344 364 | Southom 17 Sout Aerospace 14': 178 | 72 22 22 22 22 22 22 22 22 22 22 22 22 2 |
| Markets Close | ×a | F.T. 36 Index : 2307.60 Previous : 236.74 F.T. S.E. 106 Index : 3008.3 Previous : 3010.18 | 1 SKF 378_ | 377 Sumitomo Merci | 772 667 L | Stelco A 176 Talismon Energ 31 | 370 - |
| The stock mark | Johannesburg | Previous : 3010.19 | Trellebors BF 67 7 | 457 101310 1761 1 | 270 1298 \ | Teck B 19% | 1534 |
| in Brussels, Mad | rid 11.60 11.50 | Milan | Affortsværides : 1534.36 Prevides : 1536.69 |) TDK | £2n 423i | Terento Domn 18% Torsior B 71% | 187 |
| and Paris were cio | SCO Altech | Bonca Comm 5090 | 5747 P161662 | Tokyo Marke | DTC 3760 1 | Transcas Pipe 214 | 퉑 |
| Monday for a holid | May Borlows 8.30 B. | n Bastogi | 3495 | | A-58 656 1 | Triton Fint A 230 | 236 |
| | antiek | \$\$.\CIR 376 | Sydney | Toray Ind. Toshibo 4.14 Tayoto | 699 679 1660 1630 372 972 | Trimoc 0.95 | 2% 16 102 N.C. |
| Frankfurt | Driefoniem 11.40 13 | 30 Englis 250 | 325 ANZ 4.18 415 BHP 14.92 1 | | 365 655 | 1322019 Energy 0.40 TSE 306 index : 4029.20 Previous : 4014.40 | · 1 |
| .cc 168.101 | 71.80 GFSA 20 20 | 25 Ferrisp Risp 7130 | MEN ROLDS U.Y. | 1.14 g; z 150. 0.65 gullebrai 925 ; 29901 | | Previous : 4014.50 | · [1 |
| Allionz Hold 2120 | | all Compactification 1994. | 175 COICS MYC | 0.65 4.30 Hitkei 225 : 29901 3.76 Previous : 26745 Topiz Index : 1688 4.18 Previous : 1683 | | Ļ | 1 : |
| N.O. | 800 Klood Steel 45 21 800 Klood Gro 2150 21 258 Redbonk Gro 2150 21 997 80 Rendionlein 34.50 | 34 stoloem 11815 | 1390 CRA 1487 | 4.18 Previous : 1683 | | | — I |
| 2556 2457 Bover Bov Hypo bonk 450.50 Bov Hypo bonk 450.50 | 73 77 451 Ruspiol 62 | 27 1101905 4710 | ADRED Dunice "" | 1.18 | | Zurich | 190 |
| Boy Versinsbi 488 | 620 St Helend N.A. | 17 Mediobones 763 | 742 Geogman Fleid 752 | 7% Toron | | Actio Inti B 195 Alucuisse B new 572 | 5/73: 942: |
| BHF Bank 476-50 | 243 AMERICAL 150 20 | 137 QUYETT 3350 | 3365 Mosellan 23 | 2.13 Abitibl Price 10.90 Agaics Essile | 13% 12% 13% 15 430 4% | BBC Brien Boy B 938 CBa Gelev B 741 CS Holdings B 2845 | 573: 962: 2856 2856 992: 992: 1992: 1993: 1993: 1995: 1996: 1996: 1996: 1996: 1996: 1996: |
| Commerciant 32450 | 235 Composite index : 3989.94 | RAS 29580 Ringscente 8475 | 8616 Not Aust Bonk 10.76 | Reg Air Conoda | 200 AND 2014 | Slektrow B 2000 | 253 |
| Continental 235.50 Domier Benz 716.50 | | Solpem Toring 9495 | men Nine Network 3.73 | 220 Am Barrick Res | 224 32 | | 1839 |
| | 199.20 | SIP 1346 | 2310 N Broken Hill 2.45 Pioneer Int 7 2.45 | 2.40 By Nove Scotle | 27 Z | Londis Gyr R 63 | 1 12 |
| Deviation 530 | GR LUNGON | 2416 | 7/550 QCT Resources 157 | 158 SC Telecom | 227 217 | Ley HIG B | 選 |
| Cottonichie 32 | | 595 3100000 4160 | 4057 Scotos 1.18 | 1.19 Bromales | 774 A 16 | Nestic R |) 1090. 0 117 |
| F Krupp Hoeson 30 | 302 Acrost Group 3.25 | 438)) (() 4 | Wastern Minutes 3.99 | 1% Brunswick | 51 5 | Porgeso Hid B 129 Roche Hidg PC 508 | 3 1270 3 5029 |
| Henrel 116 | 2 1175 ASS Bril FOODS 7.93 | 5.03 MIB Index : 1903 7.82 Previous : 1276 | | | 7 T | Safro Republic 11 | 9 120 G 3480 |
| Hoechsi 779 B | 9 779 BAR Scotland 149 | 5.03 MIB Index : 1993 7.82 Previous : 1296 4.55 | All ordinaries index : U Previous : 1855.56 | Conndian Pacific | 22 | Schladler B 520 | n 5380. |
| Horien 706.5 | 0 208 Borriovs 4.78 | Montreal | 1 | Can Tire A | 143 143 36 2 32 | | 1600 |
| 12 (12 min 12 mi | A BAT | 4 47 1 | | Confor | 45 4 | Swiss Bak Corp B | 2 4/7 87 685 33 737 |
| Karstadt 54 | 8 565 Blue Circle 2.86 | 1.J. Alcon Aluminum 27/ 281 Sonk Mentred 28/ 6.35 Bell Condo 44/ | . 413. | 1 (4) 100 8 | 140 1 | Swissoir R 7 | 18 1714 |
| KHD | 6 85.50 Bools 4.74 | 4.70 60,150,120, 164 | 1678 Acabi Chemical 702 | 5 700 Cominço 1 1170 Comers! Expl A | 221 - 22 | winterthur B 7 | 18 702 50 1742 |
| Linde Luffhansa 151. | 50 1.48_30 BOWLET 3.63 | 3.05 Concodes | Sunt of Toryo | 0 1740 Denison Man 9 | 7 4 7 | Sas lodez : asl.00 | |
| | SULPHAN I Davi Case 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 3.32 Donohue A 181 | a 1873 Bridgestone 138 | | 16-6 le | St Previous : Bears | |
| Morphesition 396. | 30 390 (But Steel 1.17 | 1.16 Notifie Condo 18 | 10% | | | | |

TO OUR READERS IN BERLIN

You can now receive the IHT hand delivered to your home or office every morning on the day of publication.
Just call us toll free at 0130 84 85 85



6500 523 Jul 37.5 97.50
62.8 37.50 Dec Cs. Soles 37.50 Dec Cs. Sol なななななななななななななななななな

The transfer of the second sec

(**=**2"

द्ध∷ः

مكذا من الأصل

De Larosière Closes In on **EBRD Post**

in July

n With

Sec. 🐌

7.7 6

ille ill

ROME - Giuliano Amato, former prime minister of Italy, has withdrawn his candidacy for president of the Enropean Bank for Reconstruction and Development, the Italian Treasury announced Monday, leaving Jacques de Larosière of France the likely winner of the

EBRD received a letter from Mr. Amato announcing his withdrawal, the Italian director for the Londonhased bank said. Mr. de Larosière, the governor of the Bank of France, is now the sole European Commumity candidate to lead the EBRD, which leads money to support mar-ket economies in Eastern Europe.

The only other candidate, the former Polish finance minister Leszek Balcerowicz, had some support as a representative of the bank's client countries, but Poland's small shareholding in the bank made his success unlikely, observers said.

The position as the head of the bank was made vacant by the abrupt departure of Jacques Attali of France in mid-July, amid reports of excessive spending on the bank's headquarters and administration. France has indicated a 1991 agreethe right to name the president.

GE Buys Swedish Loan Firm

Compiled by Our Stuff From Dispatches

STOCKHOLM - General Electric Co. of the United States is buying the Finax finance subsidiary of WASA Forsakrings AB for \$125 million in cash and \$262.5 million of assumed debt, the companies announced Monday.

At the end of last year, Finax had outstanding loans of 3.7 billion kronor (\$450.3 million at the current exchange rate), 72 percent of which were to Swedish borrowers. Finax owns four Swedish and one Norwegian consumer-finance companies that make unsecured personal loans and provide credit cards to about 400,000 customers.
Finax reported 1992 pretax income of 190 mil-

lion kronor, including provisions for bad loans. The purchase is being effected by GE Capital Corp., the General Electric financing subsidiary.

GE Capital provides specialty insurance, consum-er-finance services and equipment leasing. The addition of Finax further broadens our

consumer-finance presence in Europe," said Edward D. Stewart, executive vice president of GE

Wasa said the sale would allow it to focus on its core insurance business. The sale also helps reduce debt at Wasa's holding company for noninsurance

In March 1992, WASA said it was transferring its international insurance operations to Eureko BV, a venture the Swedish company has with Topdanmark A/S of Denmark, AVCB Holdings of the Netherlands, and Friends' Provident Life Office of Britain. Those companies also were contributing their international operations. (Reuters, Bloomberg)

Euro Disney Denies Plans to Close

PARIS - Struggling with sagging revenues and growing losses, Euro Disney denied Monday that it was considering shutting down altogether but said temporary closure off-season was not ruled out. "A shutdown of the park was nev-

er covisaged," the Euro Disney president, Philippe Bourguignon, said in a statement. He was responding to a report in The Sunday Times of London citing a Euro Disney spokesman that Disney and Californiament establishing the bank gave it based Walt Disney executives over the weekend discussed in crisis

talks" a number of options, including "potential closure."
Mr. Bourgingnon said that "no crisis meeting took place last week-end," and added that "no spokesman for Walt Disney Co. or Euro Disney made statements on those

But a Euro Disney spokeswoman acknowledged seasonal closure "may be a possibility. It's not ruled out, but it's not a probability." De-bra Gawron said in a telephone interview. "It's not on the drawing board as far as I know." She would not say when any such 1992.

closure might occur, though one 1.100-room hotel at the amusement park east of Paris was shut down amid lower-than-expected turnout

Ms. Gawron confirmed that meetings were held over the weekend between executives from Euro Disney and Walt Disney. But she said Walt Disney executives were often at Euro Disney for regular

The Euro Disney park has lost money since it opened in April

Assets of Ferruzzi Worth Less Than Thought, Court Told

ROME - Assets seized by Montedison SpA's new management team from previous management members are not worth 500 billion lire (\$310 million), a court hearing established on Monday, the Italian

news agency ANSA reported. The new management at the troubled agrochemical group was given permission by Milan's civil ribunal this month to seize assets from the previous managers and some members of the controlling Ferruzzi family.

In a court hearing Monday, lawvers handling the case said the value of the assets seized was "far from the 500 billion lire requested by Montedison," ANSA said. The Ferruzzi family, which controls Montedison through the holding company Ferruzzi Finanziaria SpA, last June called in creditor banks to work out a restructuring plan for the group when its gross

debt of 31 trillion lire became unmanageable. The banks have installed new management and effectively taken control of the Ferruzzi (amily stake.

The court postponed until the end of August a final decision on an injunction to freeze up to 3 trillion hire of assets.

The action allows the assets, including shares and property owned by the family, to be frozen so Montedison can be assured of being paid if it wins a later suit for damages.

The defendants can continue using the property while it is frozen. Lawyers acting for both sides said the delay was to let plaintiffs and desendants prepare documents. Acting on the injunction, the courts have already seized control of elegant 18th-century palaces owned by the Ferruzzis in the Adriatic town of Ravenna, the family seat. (Bloomberg, Reuters)

worldwide into an internal

group which will be organized

around target market segments

It said the second move in the

reorganization would be the

creation of an international

marketing and distribution unit

Philips Media said the reorga-

nization would particularly help

the company to capitalize on its

stake in Whittle Communica-

tions of the United States. This

unit includes the Channel One

cable network, which reaches

around 8 million viewers.

under six label groups.

Paris CAC 40 London Frankfurt DAX FISE 100 Index 300 2900 200 Y AM JJA MACHINE Exchange Close 0.39 128.40 127.90 CBS Trend 6,906.86 Closed Stock Index Brussels 1,906.58 1,912.19 Frankfurt 736.18 +9.45 FAZ Frenkfurt 1,441,30 0.93 1,427.92 HEX Financial Times 30 2,347.60 2,380.70 0,55 Helsinkl 3,010.10 -0.06 London 3,008.30 FISE 100 London 278.48 General Index Madrid 40.54 1,296,00 1,303.00 2,148.00 Closed **CAC 40** 1,555.69 -1.37 Paris 1,534.36 Affaersvæenden Stockholm 431.11 -0.48 429.05 Stock Index 851.00 . 848.00 40.59 Vienna SBS Zerich

Very briefly:

ANT JORD

Investor's Europe

• RTZ Corp., the British mining company, said it was in talks to sell its-building and electrical-products division to MB-Caradon PLC.

• The EC said it would investigate the competitive implications of a merger of the potash and salt production unit of West Germany's BASF. AG with Mitteldeutsche Kali, an East German company in the same

 Saab Automobile AB posted a pretax loss in the first half of 684 million. kronor (\$83.2 million), narrowed from 782 million kronor a year ago, and cited the effects of startup costs for its new 900 model.

 SOFFEX, Switzerland's options and futures exchange, has suspended plans to take part in the European Options Exchange for at least a year. • Kerstadt AG, the German retailer, said it was holding talks with its rival Hertie GmbH on possible cooperation in storage and delivery.

 Metro, the Swiss-German trading group, offered to buy the 35 percent of the German retailer Massa AG that it does not already own through a

• Viva, a commercial television venture hased in Cologne, aims to lure young Germans from U.S. and British video programs by promising that at least 40 percent of its rap, soul and hip-hop will be sung in German. AP, AFX, Bloomberg, Reuters

GERMANY: Share Prices Advance Despite the Recessionary Gloom

Continued from Page 9

German auto sector that will make money this year. There will be more volatility, but the DAX could hit 1.950 by year's end."

Analysts said the rally had been supported by the trend toward lowinterest rates, the dollar's gains against most European currencies in recent months, and expectations

Continued from Page 1

Bell telephone system, was more specific: "Telecommunications is

growing and converging with other

industries so fast that it was almost

impossible in our discussions to de-

fine and divide future opportuni-

ties between the two companies."

AT&T is strong in network com-

munications and computerized

Frankfurt also benefited from the ry trading partner, has already bemonetary crisis this month that resulted in seven of the nine currentheir interest rates, thus stimulating munity and Canada.

of higher corporate profits next growth throughout Europe and brightening the picture for German Like most European bourses, exports France, Germany's prima-

Such moves have added momencies in the European Monetary System to an upward trend that began tem being allowed to float freely in July 7, ignited by the agreement a broad range against the Deutsche reached at the Tokyo economic mark. That is seen as allowing Germany's trading partners to lower states, Japan, the European Com-

As the rally progressed, analysts expanded their lists of recommended stocks. The banking sector is a heavy favorite, with Deutsche Bank topping the list, followed by Dresdner Bank AG, the nation's second-largest. Chemical stocks are also recommended. Allianz remains a consensus pick because of improved results in its foreign operations and its success in restructuring and cutting costs.

DEAL: AT&T Agrees to Pay \$12.6 Billion to Take Over McCaw Cellular, U.S. Leader in Wireless Technology

Media Moves at Philips

AMSTERDAM — Philips

Media, a newly created unit of

Philips Electronics NV, said

Monday it had taken the first

steps to reorganize the compa-

ny's global software and distri-

bution operations to create an

electronic-media business that

would compete with the giants

Scott Marden, president of Philips Media, said the first

change would be the integration

of Philips' electronic-publish-

ing and production activities

of electronic publishing.

Street can provide, and AT&T be-But for technical and marketing advances, Mr. Alıman said, the big plus is that the two companies can serve as "a laboratory in the United States," with the rest of the world

as a marketplace.

Mr. Allen stressed this point in the context of his recent visit to China. "There is an opportunity for networking wireless communica-tion and full telecommunications as they develop a modern system,"

he said of the Chinese market. This was seconded by James Barksdale, McCaw's president and a Federal Express veteran, who will join AT&T as the chief of its wireless service business. He said that many developing countries are jumping directly to cellular and other wireless communications to modernize their antiquated tele-phone networks. The combination

possible for the company to buy the stock it had sold short, or sold of services offered by the merged company, he said, would be un-beatable.

Dutch Exchange Seat Is Lost without owning in the expectation

AMSTERDAM - A Dutch brokerage firm. Nusse Brink Commissionairs BV, lost its membership on behalf of medium-sized to large the Amsterdam Stock Exchange Monday because it was unable to pay for borrowed shares when

obliged to do so, the exchange said. Nusse Brink was suspended two weeks ago after a rally on the ment bank Van Meer James Capel, Dutch stock exchange made it imitself a unit of HSBC Corp. The

private investors, had no comment. The exchange said it was also talking with Premie en Effektenkantoor van den Broek BV, the clearing unit of the Dutch investclearing unit had extensive dealings with Nusse Brink.

The company, which deals on

that prices would fail.

and transfer huge amounts of information from data banks or specials, a vending machine salesswitch an individual call from one man making his rounds can phone

switching, which can reach into tory in another city by cellular tele-

part of the country or the world to ahead" to a machine and check on what needs to be restocked and another in nanoseconds. McCaw can deliver this information to a how much; Or, as Mr. Allen said in what point of immediate use at a cussome might regard as a vision of tomer's place of business or leisure. hell, the technology can handle "faxing from the beach," if that's Numerous examples of its uses were cited by officials of both comwhat customers want. panies: A cereal salesman stocking Ronald L. Altman, managing dishelves in a supermarket can check his company's computerized inven-

rector for telecommunications at Furman Selz, a New York investment house, said the deal made sense for both companies — McCaw because its expansion.

cause it needs to broaden its domestic long-distance service, which is growing by only 2 percent a year. One problem, he warned, may be posed by local Bell operating com-

panies. The companies, he said, might use this fact as an argument to loosen regulations that prohibit them from handling intercity calls, which account for 70 percent of the volume of America's telephone

Reference of the management of

Stocks Set Record in Hong Kong

HONG KONG - The Hang Seng Index closed at a record high Monday as retail and institutional investors snatched up blue-chip

shares in late trading.

The index jumped 97.24 points. or 1.32 percent, to close at 7,489.49, its high for the day, in moderate trading aided by selective buying from overseas, brokers said. Its previous closing high was 7,447,24, set May 27.

European investors numeri positive about Hong Kong again, partly due to the confidence in Vice Pre-mier Zhu Rongji's ability to put China's economy back on the right track, said Larry Tam. executive

director at Sun Hung Kai Securities. Brokers said the market was unaffected by Monday's talks between Britain and China on Hong Kong's political future. The first day of the ninth round of talks ended in Beijing with no announcement of any progress. Another meeting was set for Tuesday.

Some investors may have been cheered by the uneventful passing Sunday of China's deadline for the recall of unauthorized loans by the country's state banks.

"There hasn't been any bad news from China on banking or the fiinancial system, which may have come as a relief to some people," a Hong Kong broker said.

Alex Tang of Dao Heng Securities said some interest also had been stirred by rumors that China would give its blessing to financial arrangements for the territory's multibillion dollar new airport, which has been the subject of a dispute related to the British-Chi-

"Investors were overwhelmed by the speculation on both political and economic fronts." Mr. Tang

(Reuters, Knight-Ridder, AFP)

Malaysia Wage Bill Rises Officials Fear Losing Competitiveness

KUALA LUMPUR -- Wage increases in Malaysia are outstripping gains in productivity and could jeopardize the competitiveness of the country's exports, analysts and officials said Monday.

"Malaysia has begun to feel the erosion of its wage competitiveness," said Lin See Yan, deputy

حكذا من الأصل

governor of the central bank, Bank Negara. Wages in Thailand, Indonesia and emerging, economies such as China, Vietnam and Cambodia are lower than Malaysia's, he said at a conference

Wages in the manufacturing sector rose by 3.3 percent while productivity fell by 2 percent in

1990. Mr. Lin said. "As a result, per-unit labor costs rose by 5.4 percent in 1990," he said. He said wages had been rising mainly because of the country's strong economic growth, which has averaged more than 8 percent in the last five years,

and a shrinking labor market.
"While a rising wage bill isn't a problem," Mr. Lin said. "there is concern when higher wages are not consistently matched by increases in productivity, as was the case in 1992 and the first quarter

From 1985 to 1990, productivity grew at an average of 4.96 percent a year, while labor costs per employee grew an average of only 0.47 percent, said Wan Azmi Wan Hamzah, chairman of Land & General Bhd.

the 1988-1990 period, our labor productivity grew an average 4.57 percent annually while the labor cost per employee grew by 3.77 percent annually."

Mr. Wan Azmi said the growth in costs was expected to come even closer to productivity growth in the figures for 1990-93 in Malaysia. where the unemployment rate is 4.0 percent.

As an economy with a labor shortage, Malaysia should shift to industries that rely more on skills and technology to sustain its competitiveness, he said.

But Mr. Lin of Bank Negara said the adverse impact of uncompetitive wages would also discourage other countries from setting up offshore-production bases in Malaysia, resulting in a loss of "technology transfer and employment opportunities."

Higher wages would also set off a fresh round of wage-push inflation when producers pass on higher costs to consumers.

Prime Minister Mahathir bin Mohamad told reporters that the economies of certain Western countries were performing poorly because workers' wages were being increased even when their employers were not making profits.

Mr. Mahathir said the government planned to give its workers bonus payments if their productivity rose significantly.

Japan to Consider Stimulus

Compiled by Our Staff From Dispatches

TOKYO - Finance Minister Hirohisa Fujii said Monday that a meeting would be held Thursday among ministers concerned with the economy to discuss whether the government should launch a fresh package of stimulative measures.

Mr. Fujii said there would be a review of past packages, which have focused on public works.

The Nikon Keizai Shimbun reported Sunday that the ministers at the meeting were expected to make the Economic Planning Agency retract a declaration made in June that the economy had already bottomed

Takao Komine, director of the agency's First Do-mestic Research Division, said he had not heard of

TO OUR READERS IN FRANCE

It's never been easier to subscribe

and save with our new toll free service.

Just call us today at 05 437 437.

such intentions within the government. But he said that the agency may have to retract its statement if summer and fall data show that the Japanese economy

The agency said in June that the economy had bottomed out but did not say when that had occurred. Mr. Fujii also said that the recent rise of the yen was too rapid and that his government was "monitoring the movement with grave concern." He added that Japan will consult with other nations and deal with the situation appropriately." But he denied the possibility that the Group of Seven industrialized countries would soon hold any emergency meeting to discuss the currency markets.

(Knight-Ridder, AFP, AFX) larger role in the global industry.

Philip Morris Signs Agreement to Make **Marlboros in China**

Compiled to Our Staff From Dispatche HONG KONG - Philip Morris Cos. signed a cooperation agreement in Beijing on Monday to pro-duce and sell its popular Mariboro cigarettes in China.

in announcing the partnership, the New York-based tobacco, food and brewing conglomerate said its Philip Morris Asia Inc. subsidiary and China National Tebacco Corp., the state cigarette monopoly, would also work together to develop and produce other brands of cigarettes for domestic and export sales.

No estimates of the value of the contract were disclosed. China National Tobacco currently makes more than 1.5 trillion cigarettes annually in its 180 factories.

Philip Morris Asia said both sides would "work together in a variety of development and production functions, including leafprocessing, operations and product

Marlboro, the world's most popular cigarette, has been available in major Chinese cities for several years, mainly at foreign-exchange outlets and on the black market.

Peter Barnes, president of Philip Morris Asia, said the accord was "the culmination of a series of wide-ranging discussions we've had during the past year" with China National Tobacco.

The agreement involves an unrecedented level of cooperationand sharing of resources, including technology, personnel and produc-tion techniques, the company said.

The president of China National Tobacco, Xun Xinghua, said the accord would "further promote and continue the modernization and development of the Chinese cigarette industry" and pave the way for the state concern to "play a

The announcement came only a few weeks after Philip Morris said it would invest more than \$60 million in another giant organette market, Russia. The company said in late June it planned to acquire a majority stake in the Krasnodar Tobacco Factory in southern Russia from that country's regional State Property Fund. (AFP, Bloomberg, Reuters)

China Sets Loan Policy

oded by Our Staff From Disp HONG KONG - China's top foreign-exchange bank, the Bank of China, will favor loans to foreign-funded public works projects, the official Xinhua News Agency said Monday.

Preference will be given to developing the energy, tele-communications, transport and raw-materials industries. officials said, adding that all banks in China that extend loans to foreign-funded ventures would follow this policy.

Separately, the Economist Intelligence Unit said China's overbeating economy was likely to lead to a reversal of policy. The boom that started in early 1992 has brought with it the familiar problems of inflation and supply bottlenecks that will inevitably prod the government into a clampdown on credit, investment and imports," a review said.

(Knight-Ridder, Reuters)

Investor's Asia Strate inn Stock Index nd NZSE 40

Very briefly:

 Sumitomo Chemical Co. said its epoxy-resin plant, which produced 60 percent of the world supply of a key semiconductor ingredient until it exploded in July, was likely to reopen by December, earlier than expected • Japan will lend the Philippines 470.36 billion yen (\$4.66 billion) to help develop its economy, the government said. The loan will help pay for seven projects, including a passenger terminal at Manila's airport.

 The Singapore International Monetary Exchange, or SIMEX, will list a 10-year Japanese government bond futures contract starting Oct. 1.

 Grand Metropolitan PLC said it had received approval from the Indian government to set up a joint venture in the country to produce and sell alcoholic drinks, including Smirnoff vodka and Gilbey's gin.

 That Airways International Lat. blamed intense competition in the battered aviation industry for a plunge in earnings in the quarter ended June 30, to 25.9 million baht (\$1.0 million), from 505.8 million.

China will open the Beijing Commodity Exchange in November in an attempt to unify the country's futures markets.

 Taiwan lowered its 1993 economic-growth projection from 6.3 percent to 6.2 percent in a fresh indication that the economy is slowing. AP, Bloomberg, Reuters, Knight-Ridder, AFX, AFP

ROUGE: Yue-sai Kan Launches Line of Cosmetics in China Tailored for Needs and Tastes of Asian Women

Continued from Page 9

cosmetics, but the two are not in head-to-head competition in department stores because the company, true to its door-to-door traditions, put China's Avon ladies.

on bicycles But no other foreign-owned company (or Chinese, for that matter) has developed a new line of cosmetics specifically for Asian colors and features, priced the line competitively and accompanied it with a videotape and book giving a home-makeup course to wom-en who only a decade ago were emerging from the

A Yue-Sai lipstick sells for the equivalent of \$6.50, slightly above Avon and the local Life brand, which go for about \$4, but far below the \$35 to \$45 range of Ms. Kan finds them no contest: "They are manufacturing-driven and not market-driven, and they think that if a product is good in one country it's good in

In a furiously Westernizing China, Yue-sai is named Feather of the West. Raised in Hong Kong and schooled in Hawaii, she went into the Chinese importexport business with her sister in New York in 1975 but soon sold her share to to become an anchorwoman here for cable TV shows about Asia.

In 1987, China Central Television began a weekly documentary series entitled "One World" to open the world to its 400 million viewers and invited her to anchor the show. Ms. Kan appeared on the show for three years and became an instantly recognizable combination of America's Barbara Walters and France's Christine Ockrent,

When she decided to go into the cosmetics business shortly after her marriage four years ago, her renown immediately opened doors for her in China — "If I

don't know them, they know me." Free makeup courses to wives of leading politicians and the leaders of the powerful Women's Federation didn't hurt,

either. The business was registered and the factory sited in Shenzhen in a record 16 working days.

Bribes? "I can't afford to bribe anybody," she said — not unless you count all those signed photographs for the idolizing daughters of junior bureaucrats and dinner invitations to their seniors, all of whom have seen her on TV.

Customs administrators belief speed her deliveries. although she has to order her raw materials from the United States at least six months in advance; when the chief customs collector goes on vacation, everybody

recounted her troubles in obtaining a counter at one department store because Yue-Sai was not yet a famous label like Dior or Elizabeth Arden. The next night she found herself invited to dine with the head of the store's conglomerate owner, of whose existence she bad never heard. It turned out that the politician had once allocated credit to the businessman and that became the foundation of his fortune. The businessman returned the favor via Ms. Kan and allocated her space in the store.

than 55 million.

"It used to be that everything had to go to Beijing and back," she said, "but every two or three months it seems there is another explosion, another loosening, and I'm right in the middle of it."

in another city, the way was cleared by more roughand-ready means over dinner with the vice mayor. When she mentioned a local store that was blocking her, he replied. "If they give you a hard time, let me know, and I will stop their water and gas." Not surprisingly.

that turned out not to be necessary. The lessons of all this are obvious to those with less guanxi than Ms. Kan. She advises less well-connected loreigners to get a good Chinese banker, go into a joint venture and above all, "find people who know

"To run a successful business in China you must have a lot of ears, a lot of eyes, a lot of noses and a lot of mouths on your behalf," she said. "You have to have terrific people who listen for you, talk for you, see

Two years ago she was told that every investment in Shanghai had to make its way through the municipal bureaucracy, but three months later she was having dinner with her neighborhood leader when she learned

Australia Rejects Plea From United Airlines

CANBERRA - Officials on

Monday rejected a complaint by United Airlines that government regulations would make its proposed flights to Australia via Tokyo unprofitable

A spokesman for Transport regulations were reasonable and was surprised by the Amer-ican carrier's criticism.

Australia, Anne Keating — who is Prime Minister Paul-Keating's sister — said the airline wanted its complaint dis-

being held between the two countries next week. She said United had been try-

ing for six years to get permis-sion for daily flights. United has said that it wanted to launch a New York-Tokyo-Sydney service but that Australian regulations limiting

could pick up in Japan would make the service unprofitable. United's general manager for United's application for the sustralia, Anne Keating — route on the condition that it tho is Prime Minister Paul meet the capacity regulations.

The case follows a similar dispute between Australia and

Monday's 3 p.m.
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Sis Dw Yid PE 100s High Low Latest Ch'se

| | | | 4 | Δ. | | | | | |
|--|--|-----------------------------|-----------------------------------|--|--|--|---|--|---|
| 94, 26V | BY AIM SIT | -51 | 5.6 | _ | -J- | 91/10 | 9 | 910 | |
| 261/2 | 44 ALC | 1.46 | 37.7 | 58 125 | 300 | 91/2 251/2 10 | 25'~ 10 | 754 | - % |
| 2017 1018 1318 2517 77 | 41 AMC VACH MARC 21 ARI HID | 1.44 | - | | 150 211 | - | E. | ונע עע | -1/2 1 |
| 134 | M-ARC | | - | _ | 211 | 146 | | 10 | —/m j |
| 2512 | ZYA ARL HIII | | _ | | 146 | 71 \$10 1 34 | 2 V _h | 794 | ا م√ر |
| ź. | SON ATT FO | 247 | 3.Ë | _ | 165 48 284 | 77.7/4 | 78% | 70 | 1 |
| - 3 | 11/2 Ack Com | ٠ | Ξ | ίī | 284 | 41/4 | 4 % | 7014 | 17. |
| ěl. | 37: AcmeU | .057 | _ | | 100 | 116 | 11.5 | 41/4 | - 1 |
| 447 | 4 4 ACT TIPSC | : | ;= | 15 12 | 75 | 414 | 4% | 430 |] |
| 44, 54, 154, | 3/ AdvFin | | - | | 100 15 103 28 35 | 57 | 4% 4% 10% | 10'4 | — Ya |
| 11 | 972 AdvMoq 274 AdvMed 9 AdMd pl | <u>'</u> - | - | - | - 72 | 277 | 7/- | 77 | - |
| 10% | 9 AdMd pf | 1,00 | قور | = | 16 | 9. | 715 | 44 a | - |
| 2 | 1'4 ADVP not | | _ | 7 | .90 | 4% | 44 | 4% | ٠٧٠ |
| 37 1474 2944 | 1% Acroson 7% Air Wor | | | | 197 231 113 | 3V. | 344 | | 172 |
| 29 1 | IS AREID | .20 | 13 | 13 | ĩĩi | 2124 | 71 | | 4 |
| 77% | WARCO | | Ξ | -2 | 251 254 | u 74 | Ιγ _α όγο | 74 | |
| 7 | 4 Alamca | | |)))) | 234 | 10% | 70 | 10 10 | 3% |
| 1016 1646 1011 | 7 ABOUT 9 ABORSh | .521 | 3 Ì | 15 | 921 | | 70 1372 974 |)Ø 16% • | 396 |
| 314 | 54 Allout | | = | 16 | 82 | 976 | 914 | 9 | — <u>!s</u> |
| 444 | 2's Alpholis | • | - | - | 82 70 77 | 21/4 | 214 | ź!4 - | 5 <u>;</u> [|
| 191 | Alia Alesteniae | | | Ξ. | 542 | 1014 | 97/1 974 574 | 10% | - 1 |
| 34.4 | 5 Alza wi | 5 | ~ | - | 20e | 64 | 714 | 71. | - 22 |
| 727 | AMONG | eri | - | | 30g | 1444 | 1704 | 1414 | * 1/4 |
| 15" | 512 ALZO WE A AMERICA | .05 | 1.0 | ž | 270 | | 5 Mar | 5 /4 | -6 |
| 17. | Tis Afficially | 1.59 | 11.7 | 34 | 15 21 | 133 | 1775 | 174 | _5 |
| 71 % | 187 AFSIR n | '⊒ãe | . 7 n | ~ | zí | 171 | 134 | 127 | |
| 241/4 | IB ABKCT | 1.32 .15 | 5 | 11 | 11 | 23** | 77 L | 2317 | .= 1 |
| 314 | 1 AFwol | .13 | | 12 | 728 | 39% | 134 | 3314 | مالد مالد |
| 47 | 4" A A 4 A 84 | <i>3</i> 7 e | 8,7 | 17 | 8 | 19; 57; 144; | 74 | 1'' _{''} | - 15 |
| 14% | 10' - ALM 85 | 1.43e | 10.0 7.7 | ij | - 47 | 144 | 14/4 | 14. | - I |
| 56 | TIM AISTOR | .346 | 1.7 | 11 | 27 | 3214 | -52 | 37 - | -2 (|
| | | | | | | 1.614 | 1414 | 1416 | |
| 2514 | 144 AMZEA | . 44 | | 17 | 7 | 141/2 | 12 141/1 1514 | 141/2 | = 1 |
| 15% | 144 AMZEA 9 APOST | 1.50 1.50 1.50 | | ίō | 42 | 14V2 154 | 10% | 18Te . | |
| 56 15% 25% 15% 9% | 14% AMZEA 9 APOST 4% ASCIE 17% A TROPC | 1.50a | 13.8 | ίō | 42 | 14% 15% 11% | 10% | 10% | - 1/2 - 1/2 |
| 15% 15% 3% 9% | 144 AMERA 9 APOST 415 ASCIE 1174 ATRONC 414 AMERS | يم 1.50a | 13.8 - | 10 24 21 42 | 42 | 14% 15% 11% 3% 8 3% | 10% | 10% | 1 19 2 2 |
| 150 3 PM | 44 Ampei | | 13.8 | 10 24 21 42 7 | 42 | 14% 15% 11% 4% 8 3% 8 | 10% | 10% | - 14 |
| 2544 | | | 13.8 - 2.8 2.8 | 10 24 21 42 7 | 42 | 14/2 1546 1136 1336 1046 1046 254 | 10% | 10% 3% 10% | 1 1 2 2 1 2 2 |
| 53% 17% | | | 13.8 - 2.8 2.8 | 10 24 21 427 - | 42 | 14/2 1546 1136 436 0 376 1009 2391 2391 | 15% 10% 3% 10% 10% 2% | 10% 3% 8 10% 2% | - 14 |
| 53% 17% | | | 13.8 2.8 15.1 | 10 24 21 42 7 | 42 | 14% 1546 1136 336 8 336 1046 3334 236 1344 446 | 15% 10% 3% 10% 10% 2% | 10% 314 8 10% 12% | 2 19.5 |
| 174 184 184 | 1% Andreo | | 13.8 2.8 15.1 | 10 24 21 42 7 | 42 | 14% 1549 1136 336 0 336 8 10% 33% 23% 135% 434 434 854 | 15% 10% 3% 10% 13% 4% 4% 4% | 10% 10% 10% 10% 10% 13% | 4 14 2 1 1 1 2 1 1 2 |
| 174 184 184 | 1% Andreo | | 13.8 2.8 15.1 | 10 24 27 15 | 42 | 14/4 15/4 11/4 23/8 10/9 23/9 24/9 44/9 44/9 44/9 44/9 | 10% 3% 10% 13% 13% 13% 13% 13% 13% 13% 13% 13% 13 | 10% 10% 10% 10% 10% 13% | 4 14 2 1 1 1 2 1 1 2 |
| 174 184 184 | 1% Andreo | | 13.8 2.8 15.1 | 10 24 21 42 7 | 42 | 14/7 15/4 15/4 16/4 16/4 16/4 16/4 16/4 16/4 16/4 16 | 10% 3% 10% 13% 13% 13% 13% 13% 13% 13% 13% 13% 13 | 10% 10% 10% 10% 10% 13% | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 174 184 184 | 1% Andreo | | 13.8 2.8 15.1 | 10 24 27 15 | 050051600755668716DP | 8 10% 33% 2% 13% 4% 4% 8% 6% 6% 6% | 10% 3% 10% 13% 13% 13% 13% 13% 13% 13% 13% 13% 13 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 174 184 184 | 1% Andreo | | 13.8 2.8 15.1 | 10 24 27 15 17 27 16 | 652256217566876787 147 | 8 10 10 13 13 13 13 13 13 13 13 13 13 13 13 13 | 10 % 5 % 10 % 10 % 10 % 10 % 10 % 10 % 1 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 174 184 184 | 1% Andreo | | 13.8 2.8 15.1 | 10 24 21 42 7 15 17 27 16 ; 6 | 6152221621725668767F71131 | 8 10 12 12 12 12 12 12 12 12 12 12 12 12 12 | 10% 4 10 10 10 10 10 10 10 10 10 10 10 10 10 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 2 (25 1 1 2 5 1 2 5 2 5 5 5 5 5 5 5 5 5 5 5 |
| 174 184 184 | 1% Andreo | . 331 200 .03i | 13.8 2.8 15.1 | 10 24 27 15 17 27 16 | 4215225162375566876PFA1176 | 3312 2312 2312 2312 4314 4314 6314 6314 6414 1146 | 10 4 3 8 10 10 10 10 10 10 10 10 10 10 10 10 10 | 10% 43% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 2 (25 1 1 2 5 1 2 5 2 5 5 5 5 5 5 5 5 5 5 5 |
| 174 184 184 | 1% Andreo | . 331 200 .03i | 13.8 2.8 15.1 | 1024 2127 15 1720 16 16 11 | 4215225162375566876PFA1176 | 1012 1012 1012 1012 1012 1012 1012 1012 | 25% 40% 40% 40% 40% 10% 10% 10% 10% 10% 10% 10% 10% 10% 1 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 53% 17% | 1% Andreo | . 331 200 .03i | 13.8 - 2.8 - 15.1 | 10 24 21 42 7 15 17 27 16 ; 6 | 6152221621725668767F71131 | 3312 2312 2312 2312 4314 4314 6314 6314 6414 1146 | 10% 4 10 10 10 10 10 10 10 10 10 10 10 10 10 | 10% 43% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 2 (25 1 1 2 5 1 2 5 2 5 5 5 5 5 5 5 5 5 5 5 |
| 13/75 | I'v. Angreo I'v. Angreo I'v. Angreo I'v. Angreo I'v. Angreo I'v. Angreo I'v. Arrith I'v. A | . 331 200 .03i | 13.8 2.8 15.1 | 1024 2127 15 1720 16 16 11 | CHANGE STATE OF THE STATE OF TH | 8 101 a 331 a 27 a 47 | 100000 100000 1000000 | 10% 41% 100% 100% 100% 100% 100% 100% 10 | |
| 53775 6 4 9 3778 6 576 4 4 5 4 6 4 6 5 6 7 6 5 6 7 6 6 5 6 7 6 6 6 7 6 6 7 6 7 | 1% Angreo II Mangaligi B Angreo II Mangaligi B Angreo II Mangaligi B Angreo II Market | . 331 200 .03i | 13.8 | 10247 15 17216 16 11 12 B | 42522世紀の日本の名の日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本日本 | 8 101/2 27/2 27/2 27/2 27/2 27/2 27/2 27/2 2 | 10 2 3 8 10 10 2 10 10 10 10 10 10 10 10 10 10 10 10 10 | 10% 41% 100% 100% 100% 100% 100% 100% 10 | |
| 53775 6 4 9 3778 6 576 4 4 5 4 6 4 6 5 6 7 6 5 6 7 6 6 5 6 7 6 6 6 7 6 6 7 6 7 | 1% Angreo II Mangaligi B Angreo II Mangaligi B Angreo II Mangaligi B Angreo II Market | . 331 200 .03i | 13.8 | 10247 75 17276 16 11 42 B 30 | 4252256375666876日中日1777日東京の1578 | 38 1013 1314 6 1 | 10 2 3 8 10 10 2 10 10 10 10 10 10 10 10 10 10 10 10 10 | 10% 4% 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 537470 by 407660000 4566 4470 4771 | 1% Andreo 1% Angling 8 Angling 8 Angling 1% Angling 1% Angling 34 Angling 35 Angling 36 | . 331 200 .03i | 13.8 | 10247 15 172716 16 11 12 8 13011 | 4252256375666876日中日1777日東京の1578 | 8 10 10 10 10 10 10 10 10 10 10 10 10 10 | 1500 450 1000 1000 1000 1000 1000 1000 1 | 10% 10% 10% 10% 10% 10% 10% 10% 10% 10% | |
| 23787 W 47644 W 564 4564 474 74 38 | I'M ANGROU I'M ANGRAIG B ANGROI I'M BAT'S SHE SHE | 331 200 .03i | 13.8 | 10247 75 17276 16 11 42 B 30 | 455 M 25 M | 8 10 10 10 10 10 10 10 10 10 10 10 10 10 | 10000 1000 1000 1000 1000 1000 1000 10 | 10% 13% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | |
| 23787 W 47644 W 564 4564 474 74 38 | I'M ANGROU I'M ANGRAIG B ANGROI I'M BAT'S SHE SHE | 331 200 .03i | 472.8 112.8 2.8 15.1 | 10241 427 15 17 276 16 11 14 B 13011 146 - | 455 M 25 M | 8 10 10 2 2 10 10 10 10 10 10 10 10 10 10 10 10 10 | 10 20 10 10 10 10 10 10 10 10 10 10 10 10 10 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | |
| 23787 W 47647 W 4764 W 574 W 5 | I'M ANGROU I'M ANGRAIG B ANGROI I'M BAT'S SHE SHE | 331 200 .03i | 472.8 112.8 2.8 15.1 | 10241 427 15 17 276 16 11 14 B 13011 146 - | 455 M 25 M | 8 10 10 2 2 10 10 10 10 10 10 10 10 10 10 10 10 10 | 150500 100000 1000000 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | |
| 23787 W 47647 W 4764 W 574 W 5 | I'M ANGROU I'M ANGRAIG B ANGROI I'M BAT'S SHE SHE | 331 200 .03i | 428 - 153 | 104147 15 17216 16 11 42 B 1301 44 | 455 M 25 M | 8 10 10 2 2 10 10 10 10 10 10 10 10 10 10 10 10 10 | 150 150 150 150 150 150 150 150 150 150 | 10% 43% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 1) 5年 10年 10年 |
| 2778 6 4 9 3 7 8 6 5 6 4 5 6 4 7 7 4 3 2 1 5 2 3 5 3 5 3 5 5 5 7 3 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 | 1 M. Andreo I. M. Andreo I. M. Angrico I. M. | 331 2.90 .03i .03i | 472.8 112.8 2.8 15.1 | 104147 15 17216 16 11 42 B 1301 44 | 455 M 25 M | 3 11 3 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 | 150 150 150 150 150 150 150 150 150 150 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | |
| 2778 6 4 9 3 7 8 6 5 6 4 5 6 4 7 7 4 3 2 1 5 2 3 5 3 5 3 5 5 5 7 3 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 | 1 M. Andreo I. M. Andreo I. M. Angrico I. M. | 331 2.90 .03i .03i | 472.8 112.8 2.8 15.1 | 104147 15 17216 16 11 42 B 1301 44 | 455 M 25 M | 1802 120 120 120 120 120 120 120 120 120 1 | 150 150 150 150 150 150 150 150 150 150 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 12 17 18 6 4 9 3 7 18 6 5 5 6 4 4 5 16 4 5 16 4 5 16 5 16 5 1 | 1 M. Andreo I. M. Andreo I. M. Angrico I. M. | 331 2.90 .03i .03i | 472.8 112.8 2.8 15.1 | 104147 15 17216 16 11 42 B 1301 44 | 455 M 25 M | 10 10 10 10 10 10 10 10 10 10 10 10 10 1 | 150 150 150 150 150 150 150 150 150 150 | 10% 4% 10% 10% 10% 10% 10% 10% 10% 10% 10% 10 | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |
| 2778 6 4 9 3 7 8 6 5 6 4 5 6 4 7 7 4 3 2 1 5 2 3 5 3 5 3 5 5 5 7 3 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 | 1 M. Andrea O. In Managhing B. Angrior B. | 331 2.90 .03i .03i | 472.8 112.8 2.8 15.1 | 10241427 15 172716 16 11 12 18 1307 146 | 4252256375666876日中日1777日東京の1578 | 1012 27 12 12 12 12 12 12 12 12 12 12 12 12 12 | 150500 100000 1000000 | 10% 10% 10% 10% 10% 10% 10% 10% 10% 10% | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 |

7% 2% CH
18% 11% ICH of
18% 11% ICH of
5% 13 CN Be
11% SW ICH
11% SW ICH OF
11% SW ICH 1.75 10.77 - 19 16.44

1.75 10.77 - 19 16.44

1.75 10.77 - 19 16.44

1.75 10.77 - 19 16.44

1.75 10.77 - 19 16.44

1.75 10.77 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70 10.77

1.70

Div Yid PE 1005 High LowLatest Cirge | The color of the

BUSINESS OPPORTUNITIES Monesua

State Projects Open to Private Sector

The "Ring of Fire," the term used to describe Indonesia's volcanic origins, could just as easily describe its explosive growth. Today's challenge is to provide an infrastructure that can keep pace with this growth.

Average annual growth of

7 percent over 26 years

Indonesia, whose name is taken from the Greek words "Indos" ("Indian") and "nesos" ("islands"), is an archipelago comprising 13,667 islands stretching 5,120 kilometers (3,174 miles) along the equator. It is the world's fourth most account of light and the stretching of the stretchi fourth most populous country and largest Muslim nation. The nation's geographical fragmentation makes its unified aspirations and economic achievements on behalf of

its 185 million people even more noteworthy.

Since 1967, when President Subarto, now in his sixth consecutive five-year term, initiated Indonesia's transformation into a modern state, the country's economic

and social development has been guided by a team that governs on the principle of steady, broad-based growth.

٠,;

For 26 years. Indonesia has experienced an aver-

age annual economic growth rate of 7 percent in real terms. Since 1967, when 60 percent of the population was classified as poor, per capita GNP has risen from \$70 to \$570. A food importer in the 1960s, Indonesia achieved self-sufficiency in food production in the 1980s.

Off its shores are rich fields of oil and gas whose export earned 80 percent of Indonesia's revenue in 1982. Petro-leum fueled an economic boom in the 1970s, with the earnings farsightedly poured into the creation of new, non-oil industries. When oil prices plummeted in the early 1980s, the economic base was broad enough to enable the country not only to survive but also to thrive. Indonesia's economy continued to be diversified to the point that in the 1993-94 national budget, only 27.1 per-

cent of revenues will come from oil products. The 1991-92 ranking of major exports were as follows: oil and oil products, \$6.87 billion; textiles, garments, and handicrafts, \$4.34 billion; liquefied natural gas, \$3.84 billion; timber, \$3.70 billion; rubber, \$.93 billion. Energy imports were down 6.7 percent from 1991, to \$1.5 billions were down 6.7 percent from 1991, to \$1.5 billions.

lion; non-oil imports rose 6.1 percent, to \$20.8 billion.

Along with its industrialization efforts, the government in the early 1980s began to dismantle its protective barriers, a legacy of colonial occupation and perceived threats to national sovereignty. The past decade has seen the steady removal of many tariff, import license and export regulations, and of non-tariff barriers to trade and to

participation in the Indonesian economy. The result has been an explosion of investment. Domestic investment in 1992 totaled \$14.3 billion, down from a high of \$27 billion in 1990. Overseas investors poured \$34 billion into Indonesia between 1987 and 1992. The recent slowdown in investment is attributed to a tight money policy instituted by the government to counter threatened overheating and to reduce inflation.

Several planned foreign-financed projects, once approved, will eventually produce an additional \$85 billion in non-oil-product revenues annually.

The government's challenge is to keep this momentum

going and to achieve an annual growth rate of 6.2 percent, much of it from new foreign investment. The new 41-member cabinet must contend with two key obstacles in order to keep investment capital flowing into Indone-

"The main problems are inadequate physical and human infrastructure, and insufficient public and private

investment," says Mari Pangestu, head of the Department of Economic Affairs of the Center for Strategic and International Studies, a private think tank. "We also need to improve not just the quantity

but also the quality of investments," she adds. Indonesia's rapid growth has put tremendous pressure on its infrastructure. In response, the government is using its own revenues as well as foreign funding to finance improvements. In July 1992, the World Bank-led Consultative Group on Indonesia allocated \$4.94 billion in soft loans for the purpose. Indonesia is also inviting the private sector to participate, an option investors have wel-

"The government realizes that it does not have the resources to solve all the problems, so we have invited private-sector participation in power generation and road. telephone network and harbor construction," says Sanyoto Sastrowardoyo, the country's investment minister and chairman of the Board of Investment.

The Ministry of Mines and Energy anticipates that by 2000, Indonesia will need an additional 23,000 MW of power. The government plans to invest \$30 billion by 2000 – with funding from the World Bank and the Asian Development Bank (ADB) – to provide 13,000 MW. Projects to achieve the remaining 10,000 MW would be financed by the private sector, presenting investors with a good business opportunity.

Similarly, the private sector has been invited to build roads and collect tolls. Plans call for the augmentation of the present 390.78 kilometers of toll roads by an additional 821.5 kilometers by 1996. To expand the telecom-\$360 million loan and the ADB a \$300 million loan to add 5 million telephone lines over the next five years. bringing Indonesia's total telephone connections to 6.5

A more pressing problem is securing employment for Continued on Page III

Moving into the 21st century: the chariot of the gods (inset) on Thumrin Avenue. Jakarta's main thoroughfare.

PLANNING FOR STABLE, EQUITABLE GROWTH Page III

Overview: Expanded role for private sector Economy: Sharpening the investment profile

Cement: A top Asian market Investments: Nuts and bolts Real Estate: The new frontier

Textiles: A pattern of independence Financial Sector: Banking on prudence

Page IV

Ecotourism: Natural beauty Hotels: A room boom in progress

Economy: Adapting Rules to Reality

In the following interview, Saleh Afiff, Indonesia's coordinating minister of economy, finance and development supervision, discusses the country's development plans.

Indonesia's rapid growth over the past decade has been due in large part to a government decision in the early 1980s to move away from dependence on oil exports. How did Indonesia manage the switch to a non-oil based economy?

We began our deregulation process in the early 1980s with the initial reform of our financial sector in 1983 and then the tax reform of 1984. When the world price for oil dropped from \$25 to \$10 per barrel in a 10-month period, we realized we had to continue to restructure the economy. We did this through a series of investment and trade deregulation measures. As a result, Indonesia became an attractive magnet for foreign investment. Investment grew rapidly through 1992, although it has slowed somewhat since then. The downturn came about, of course, from the world recession and greater worldwide competition for investments. To remain an attractive destination for investment, we must reduce bureaucratic red tape. Otherwise, we cannot compete with China and Vietnam.

How do you propose to attract more foreign and investment? domestic By learning from the business community about the problems it is facing. such as complicated licensing procedures. We rely on businessmen's input to make the appropriate changes in our investment rules. We sup-

port the business community because it is contributing to our development efforts. We are planning to continue deregulation and simplification of licensing and approvals, and we will issue new directives by the end of August. This is the continuation of the longterm reform process that is by no means over. At the moment, for instance, we require that a foreign investor partially divest to his Indonesian partner over a 20-year period, although there are exceptions - in export processing zones,



vestors are not happy with this arrangement, so we are studying how to change it. Twenty years is too short a time for a longterm project. It is the same with land leases, which are valid for an initial period of 30 years. In China, investors are given 50-year land permits for industrial projects and 70-year leases for housing projects. This makes Indonesia less attractive, so we are working to revise the regula-

What are the advantages

There are many. We have maintained a freely convertible foreign-exchange system for the past 20 years. Our banking system is developed and can provide a wide variety of services to the business community. Our labor costs are low, and our workers are productive. And we are well endowed with natural resources. We are also the sixth-largest market in the developing world. This gives the foreign investor a domestic market to sell to, since foreign investors are not re-

Saleh Afiff: Goals are growth, equity, and stability."

for example. Foreign inquired to produce solely for export. At the moment, it is not economically viable to produce some products primarily for the domestic market, but as we grow, the domestic market will become more and more attractive. How will Indonesia's sixth five-year plan (1993-1998), now being developed, differ from those of the past?

nomic policies, there will be few changes. For the last 25 years, we have tried to maintain a balance for a foreign investor? among what we see as the

in terms of macroeco-

three objectives of development: growth, equity and stability. Because the majority of Indonesians work in agriculture, we have invested heavily in that sector to meet our three development objectives. But the economy is shifting gradually to more manufacturing and to industrial activities, and our policies must take account of this shift.

What are the constraints on continued rapid development?

We are lagging in infra-structural development. We are trying to improve and expand our road network as well as our electricity-generating facilities, and we are even inviting the private sector to participate. To meet some of our electricity needs, we are negotiating for a big coalfired electricity-generating plant at Paiton in east Java. Since we have substantial coal reserves in Kalimantan, we will have a secure source of fuel. After hydropower, coal-fired generating plants are, for us. the cheapest source of en-

Paiton will sell electricity to the government. We are studying private participation in telecommunications, but not privatization. There are several projects involving private participation that are already under way. We feel that infrastructure should be not only growth-oriented but equity-oriented as well. We aim to open new areas in Sumatra and Irian Jaya to investment.

GROWTH THROUGH INTEGRATION



largest fully integrated textile manufacturer in Indonesia producing a wide range of chips, fibre, yarn, textile, garments and textile machineries. Backed by a worldwide marketing network. Texmaco ranks as the leading exporter from Indonesia. Apart from winning prestigious export awards, Texmaco products are exported to over 65 countries worldwide. In garment Manufacture we specialise in all kinds of men's and women's wear for Internationally renowned brands like Nike, Levi Strauss, Philips van Heusen, Liz Claibome, etc. With 30 years of growth, Texmaco emerges as a sound company dedicated to further develop the Indonesian textile industry and contribute to improving the economic development of Indonesia.

Texmaco is one of the





MULIA CENTRE, Suite 1008, 10 th Floor, JL. H.R. Rasuna Said Kay, X -6 No. 8, Jakarta 12940 - Indonesia, Tel: 5229390, 5229414, Fax: 5229411, Telex: 62325 TEXMA 1A, P.O. Box 4248/JKTM

This advertising section was produced in its entirety by the supplements division of the International Herald This advertising department. • It was written by Steve Van Beek, a free-lance writer based in Bangkok.

Cement: Housing Surge Bodes Well

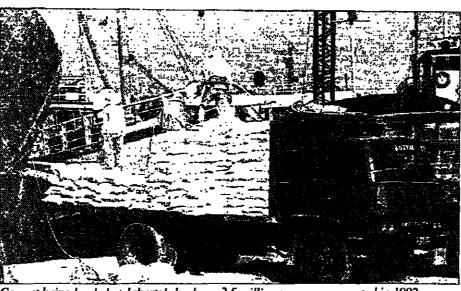
Indonesia's current building boom should supply the impetus for the country's cement industry through the end of the decade.

"After growing 12 percent per year previously, do-mestic demand in 1992 slowed to 2 percent due to the government's tight money policy," says Al Njoo, director of PT Semen Cibinong, Indonesia's second-largest and ASEAN's fourth-largest cement producer. "This year, however, it is growing at 15 percent because of infrastructure projects and residential and commercial development."

There is some question as to whether rising de-mand can be met. "In 1992, total domestic consumption was 16 million tons, and exports totaled 2.5 million tons," says Mr. Nioo. "We have just expanded capacity to 3 million tons and acquired another company. Semen Nusantara, which adds another 1 million tons. That gives the industry a 20million-ton annual production capacity."

Expansion of two government cement plants will give Indonesia a total annual production capacity of 25 million tons by 1998. If domestic demand continues to grow, there will be a need for 25 to 26 million tons by the end of the same period.

"Two factors suggest that the future for cement



Cement being loaded at Jakarta's harbor: 2.5 million tons were exported in 1992.

is very bright," says Mr. Njoo, "Per capita consumption of cement in Indonesia is still quite low -100 kilograms [220.4] pounds| per capita - which compares quite favorably with ASEAN's average of 300 to 400 kilograms per capita. In Korea and Japan, it is 800 kilograms per capita, so demand poten-

tial is good. In addition, Indonesia is considered Asia's most efficient cement producer at \$25 per ton. We have 90 percent of the raw material - limestone - in quantity, and because it is soft, it doesn't need high energy to crush. We also have ample coal supplies, so we don't have

These combine to keep our costs down." Mr. Njon

"The only constraint on profitability is that cement prices in Indonesia are government-regulated. At \$55 per ton, they are the lowest in Asia, compared with an ASEAN average of \$60 to \$70 per ton."

Real Estate: The New Frontier, Downtown and in the Suburbs

The building fever that transformed downtown Jakarta's skyline during the past few years has shifted its focus but not its intensity.

Demands by a newly affluent middle class and by foreign executives for upmarket housing have spawned a new building boom, providing foreign and domestic entrepreneurs with attractive

investment opportunities. Recent commercial development has taken place in Jakarta's former inner-city residential areas. raising land prices in the downtown "Golden Triangle" to \$5,000 to \$8,000 per square meter 1\$450 to \$720 per square foot), beyond the reach of

all but the very wealthy. The response has been the increasing suburbanization of Jakarta and a shift in housing patterns and options. One can now choose an older house on the city outskirts, a new house in a suburban estate, a city condominium or an

apartment. The trade-off is between lower suburban prices and higher-cost city-center convenience.

As traffic congestion lengthens commuting time, many are choosing city properties. For foreigners. this means renting apartments; for Indonesians, it means buying condomini-

"There is an undersupply of apartments," says Okie R. Lukita, president-director of Menteng Park Apartments, near the Golden Triangle. "There are 23,000 expatriates in Jakarta but only 2,000 rental apartments at the moment. There is also a shortage of low-cost and middle-income housing, and Indonesians now have the purchasing power to buy housing Ithus con-tributing to the undersupply)." he adds.

A year ago, the first expensive condominium

was marketed, and it sold quickly."

Joachim U. Rohn, group executive director of Lippoland Development, offers a contrasting view: "There are another 3.000 apartment units coming on the market in the next two years, but it doesn't mean there will be a rush to occupy them. Americans

and Indonesians prefer to live in houses. The change

upper end; we are geared to the emerging middle

Although Indonesians can buy land overseas, for-eigners are barred by law from buying condominiums in Indonesia. The Indonesian Real Estate Association is lobbying the government for a change in this law, arguing that sales to foreigners promote capital inflow. A new law.

Undersupply of apartments reported in Jakarta

The Nuts and Bolts of Foreign Investment

Foreign investment in Indonesia is conducted as a joint venture with Indonesian partners. Initially, the foreign investor can hold 80 percent of equity but must divest 51 percent of equity to the Indonesian partner(s) after 20 years.

There are exceptions for which 100 percent initial equity is permitted; ventures located in a bonded zone and exporting 100 percent of their production, and those with paid-up capital of at least \$50 million that are located outside of Java, Sumatra or Bali. Minor divestiture is required after five years. Labor-intensive (at least 50 workers) or service-sector projects are given special dispensations. Foreign and domestic investments are governed by the Negative Investments List, which prohibits or limits investment in 33 areas, summarized as follows: Closed to all investment: logging, casi-

nos, certain agricultural chemicals. · Closed to foreign investment: commercial transportation, retail sales, advertising, TV and radio broadcasting.

 Closed to investment unless fulfilling certain conditions: selected food-processing and forest products enterprises, stamp or bank-note printing, motor vehicles, aircraft. · Closed unless at least 65 percent is ex-

ported: cigarettes, pharmaceuticals.

Closed unless 100 percent exported: ar-

tificial sweeteners, alcoholic beverages. Reserved for small-scale industries: most agro-businesses, yarn spinning, weaving, cement and ceramic goods, agricultural tools, many handicraft items.

A June 10, 1993 ruling lowered import duties, improved import procedures and deregulated the automotive sector.

Several permits are required: location, building. Nuisance Act. work permits, land titles and, in some instances, an Environmental Impact Assessment. Provincial approvals are required for projects outside of Jakarta. Land titles are valid for 35 years but may be extended. Building rights are granted for 20 to 30 years.

Duty-free zones exist in Jakarta and on Batam and Bintang Islands, Bonded zones and industrial estates are in Jakarta, Cilegon, Surabaya, Cilacap, Ujung Pandang and

Tax and import-duty incentives include two years' exemption or reduction of import duties on capital goods and raw materials for selected projects, with longer periods in some instances. Tax relief is available through accelerated double-declining balance depreciation on capital goods and carry forward of losses and various deductibles. The income tax rate is graduated between 15 and 35 percent. Indonesia has double-taxation treaties with many countries.

Other incentives include free movement of foreign currencies, limited legal protection of intellectual property rights and security of foreign investments guaranteed by Investment Guarantee Agreements with ASEAN and 19 other foreign governments.

Indonesia is a signatory to the International Center on the Settlement of Investment Disputes and is a member of the Multilateral Investment Guarantee Agency on non-

commercial investment risks. Ordinary investment applications are handled by the Investment Coordinating Board: those for bonded zones, by the Bonded Zone Authority. Investment information is available from the BKPM, chambers of commerce, CISI (a private information service) and Price Waterhouse (Indonesia).

in lifestyles cannot be accomplished that fast, but demand will pick up in one "A three- or four-bed-

room house with pool, telephone and garden costs \$2,500 to \$5,000 per month but can have security problems," counters Charles W. Phillips, general manager of the Park Royale Apartments in Jakarta. "A two-bedroom apartment costs \$3,500 per month, but the high prices will drop as new apartment

or two years."

complexes are built." Lippoland is responding to the Indonesian preference for houses and the desire to own rather than rent a residence. The company is developing two major housing estates on the outskirts of the city near new highways now under construction. Lippo Village will contain 5,000 houses; Lippo City combines a housing estate with an industrial park.

Their advantage over city dwellings is their cost. Land in the suburbs currently sells for \$200 per square meter." says Mr. Rohn. "Many developers have concentrated on the industry experts say, would likely spark another housing boom for company residences and retirement homes. For developers looking for long-term investments with high returns, it means a potential windfail.

"There is lots of room for foreign investment, says Mr. Rohn. "Indonesia needs development capital. and a foreigner can get good returns on his invest-ment. In Lippoland, we sold 1,000 units in three days. Some people here think that is slow progress, but most American developers would be delighted with that level of sales."

The rapidity and scope of city development as well as increasing migration from rural areas suggest a long run for realestate development. Jakarta will have around

17 million people in 2005. With a low per capita GNP of \$570, there is enormous potential for growth. Moreover, once the cycle wanes in Jakarta, it will be repeated in other Indonesian cities as they achieve more advanced economic status.

A Prove of Timeless Solidity



Two Among Indonesia's outstanding monuments. One of the world's wonders, Borobudur Temple, is a proof of our ancestors' grade knowledge, meticulousness and dedication even far back in the 8'th century.

While today, in the Indonesia's modern world finance, Bank Dagang Negara is the living proof of those admirable traits. And further enhanced by the famous Indonesia friendliness. With deepest first-hand knowledge of our people and business, Bank Dagang Negara exudes as your solid and friendly partner.



BANK DAGANG NEGARA

(STATE COMMERCIAL BANK)

Ji M.H. Trammin No. 5 Johnsto. 10007 . Inclusional Sel. 521707. 3800800. ider 51623 SEARLEN IA 61649 SONGENIA 61621 ECHILI, MT 61540 BOH FRIA P.O. Box. 1387.00 (2002) Indones

SOME PROPERTY COMPANIES BUILD OFFICES...



Cities, new towns, industrial estates and resorts. That's the future for Indonesia and LIPPOLAND is playing a leading role.

Look at the facts.

Indonesia is the world's fourth largest country with 180 million people and a growing urban middle class with more disposable income. Income to spend on homes and leisure.

The manufacturing sector alone is growing at 13% annually - twice the national GDP - and an important source of jobs for the 2.3 million people joining the labor market every year.

In LIPPO CITY we have developed 2000 hectares of marginal farmland into a premier industrial estate - it's so large you can drive for 8 kms and still be inside the estate boundary.

In LIPPO VILLAGE, pictured above, we are building a 500 hectare fully integrated new town with a modern central business district, schools, a hospital, shopping and recreation facilities - home for 40,000 people. And the demand is there. Last month we sold 750 houses in just three days.

Which is why at LIPPOLAND building office developments is only part of the story.



THE LEADING EDGE IN REAL ESTATE.

PT LIPPOLAND DEVELOPMENT, Jakarta, INDONESIA. Fax: 62.21.520-0900 Tel: 62.21.520-7500.

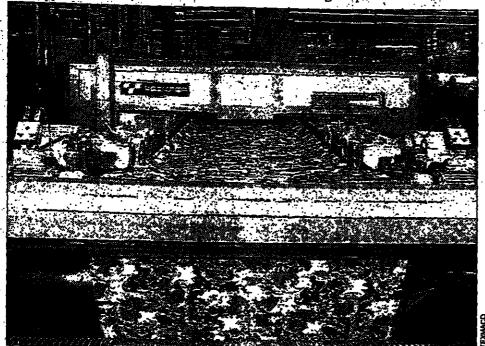
Textiles: Rise in U.S. Quota Bolsters Industry Outlook

Among Indonesia's success stories is its textile and garment industry. Through technology and automation, the country has transformed a cottage industry into its number-one non-oil industry. The industry now employs more than 2 million Indonesians and can claim 3 percent of the world textile market.

In 1991-92, Indonesian mills produced 5.22 billion meters (17.7 billion feet) of cloth and earned the country \$4.34 billion for textiles, garments and handicrafts

were in developing Asian countries, Europe and North America.

The industry has grown incrementally as Indonesian manufacturers have taken combined. Their primary garment markets over each stage of production.



Indonesia's number-one non-oil industry brought in \$4.34 billion in revenues.

In the 1960s, yarn was imported and woven locally. In the 1970s, the varn began to be produced locally, using imported poly-

ester chips. Indonesia's petrochemical base then enabled manufacturers to produce their own chips. From there, it was a minor step to designing and

creating garments.
Only natural fibers blended with Indonesian synthetics, accessories and chemical dyes are now im-

Government departments like the National Agency for Export Development have been active in arranging exhibitions, providing marketing assistance and lobbying for higher quotas from overas importers.

industry growth and new investment show no signs of slowing. Indonesia re-cently lobbied successfully with the United States for a 35 percent increase in its textile quota.

Conservative estimates predicting a 12 percent annual export growth over the medium term seem realizable given the expanded capacity and the increased U.S.

The export target set by the country's sixth five-year plan is \$15 billion in 1998.

"Meeting the target is a piece of cake," says Mhd. Manimaren, director of Texmaco. We have seen the industry grow by 30 to 40 percent increments

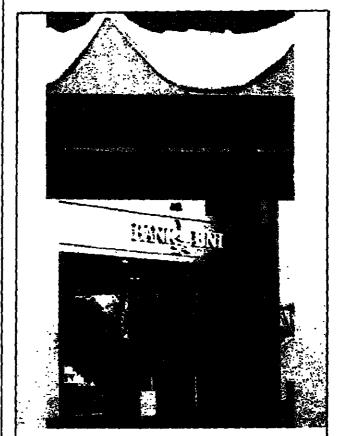
since 1987. We have the global markets, and Indonesia is very competifive, so we can grow even larger. There are quotas. in the United States and Europe, but if the Uruguay Round succeeds, quotas will be phased out." Recent re-

> Annual export rise of 12 percent predicted

ductions in textile quotas following the G-7 summit in July make this more likely.

The only possible clouds on the horizon are a host of new producers in Vietnam. China and other emerging economies, but Mr. Manimaren discounts their threat.

"China is strong in cotton, and Indonesia is strong in man-made fibers, so we occupy different niches. Vietnam will not be strong for a long while. We see profitability continuing well into the next century, with the Indonesian textile industry becoming medium-scale and then high-



National in roots International in outlook

BNI as the county's largest bank has 280 offices and branches in cities and towns throughout Indonesia with clients in all business sectors. Manned by over ten thousand persons.

The outlook:

BNI - synonymous with Indonesia's most modern, innovative. and forward - looking bank. Trusted, experienced, efficient and courteous service to link overses with domestic clients. Supported by 5 overseas branches: Singapore, Hongkong, Tokyo, New York, London. Servicing all your banking need in Indonesia and abroad.



Address Jalan Jenderal Sudiman Kav, 1 P.O Box 2955 JKT Jakarta 10001. Indonesia Cable KANTOR BESAR. Telev 45524. 45539 & 45554 KB BNI. IA. Telephone : (021) 5701001 (45 lines.) 5700706 (5 lines) Fac: 5700980 (International Division), Fac., 5700993 (Fund Division Treasury) Overseas branches Singapore, Hongkong, Tokyo, New York, London.

Banking: The Thin Line Between Control and Liberalization

The rapid growth of the Indonesian economy has been due in large part to government foresight in ensuring that liberalization was accompanied by a stronger and more diversified financial sector.

In the 1970s, the government made foreign exchange freely convertible. In the second deregulation drive of 1983, banking and finance were two of the prime targets.

The goal was to make the banking system more efficient," says Soedrajal Djiwandono, governor of Bank In-donesia, the country's central bank. "After 1983, banks were permitted to set their own deposit and lending rates.

The gross assets of the financial sector doubled. growing by an average of 23 percent per year between 1982 and 1987. Several deregulations followed, with the most im-

portant occurring in October 1988. After that, the banks flourished, with numbers doubling from 100 to more than 200. Branches doubled from 2,000 to 4,000," he adds.

The exuberance got out of hand, however. One private bank collapsed, and bad loans by others threatened the stability of the system. Late in 1990, Bank Indonesia initiated a tight money policy to cool off an overheated economy and to stem inflation. It also raised paid-up capital requirements from 10 billion Indonesian rupialis (\$4.87 million) to 50 billion ruplahs.

Since then, the central bank has treaded a thin line between control and liberalization. Deregulation has continued, but the watchword is prudence. "We want to let the market determine the allocation and selection of funds and business to increase the efficiency of the economy, but deregulation doesn't mean that there are no rules, says Mr. Djiwandono.

The banking, leasing and insurance sectors in Indonesia are regulated by the Department of Finance in cooperation with Bank Indonesia. "The management of the monetary sector is mostly aimed at how we can manage the national economy within the international economy and deal with uncertainties," says Mr. Djiwandono. "The most important thing is to create certainty for the business community and increase our international competitiveness," he adds.

The principal funders of government programs are the five state-owned banks, which have traditionally dominated the banking sector. Government restrictions on lending to foreign joint-venture companies unless na-

tional shareholding was at least 51 percent led to the 1988 reforms that gave private commercial banks a larger role in financing.

While the state-owned banks still dominate bank-ing, the more than 135 private banks play a vital role in mobilizing funds for domestic investors. The 11 international banks that now operate branches in Jakarta engage primarily in corporate

There are also more than 25 development banks for medium- to long-term financing. A number of non-bank financial institutions provide medium- and short-term loans to government and private enterprises. They also offer financial investment and management advice, facilitate local and overseas funding of projects, and under-

Venture capital, security trading, factoring, credit cards and consumer financing are allowed for commercial banks, non-bank financial institutions and finance com-



panies. Nine investment finance companies offer financing and money-market services.

ing shares on the Jakarta or Surabaya stock exchanges or through the OTC market to domestic and foreign investors. There is a widespread belief that the market needs invigorating to create a cheaper source of funds as an alternative to bank interest rates, which, with deposit rates, now stand at 19 to 20 percent.

Bank Indonesia continues to support the development of the banking sector, "We will keep improving the sys-tem and expanding the financial instruments and services to serve a maturing economy," says Mr. Djiwandono, "As the economy becomes more and more advanced, we need a diversification of financial instruments. Developing these is the direction of the future."

State Projects Open to Private Sector

Five state-owned banks

dominate the sector

Continued from Page 1

the country's burgeoning work force, Indonesia's movement away from an agriculture-based economy has created a large labor pool that is at once a bless-ing and a potential liabili-

i - plat

Recognizing that large-

Not enough jobs.

for workers

scale unemployment could create social unrest, the government has made employment generation a pri-ority. With 2.3 million youths coming onto the job market each year, the magnitude of the problem is enormous. The economy must expand by at least 6 percent per year to accom-

modate them. Even more pressing is the need to upgrade skills. The minimum wage is now 3,000 Indonesian rupiahs (\$1.45) per day, but as emerging nations enter the international marketplace. Indonesia will find itself outbid on low-cost labor.

While most of Indonesia's new entrants are urban high-school graduates, they are inadequately trained to cope with the new technology manufacturers are introducing.

The government is discussing on-the-job training programs, incentives for companies to train employees and an increase in the number of vocational schools. There is also an urgent need for managerial

personnel. Another of the government's priorities is trying to move industry away from Jakarta to other Javanese cities and to the other 13,000 islands. Although Java forms only 7 percent of the Indonesian land mass, it has a population of 110 million, 60 percent of the nation's total

population. Of Indonesia's 21 percent of GDP pro-duced by manufacturing, the figure in the eastern provinces is only 5.6 percent. Of this effort to decentralize, Mr. Sastrowardoyo says, "We have not been very successful so far. We give additional tax holidays and extra incentives for factories located outside of Java, but manufacturers are still not attracted. We are

looking for additional in-The shift of industry to the provinces is gradually beginning, however, as bener ports and air connections are developed and provincial authorities are speeding up their ap-

provals process. Bandung, Surabaya and Medan, for example, are already established as. manufacturing centers and

are growing.
Two particularly promising areas are the two. growth triangles set up as joint free-trade zones. The southern triangle comprising Singapore, Malaysia



The next generation: 2.2 million young people enter the labor force each year.

and Indonesia is seeing the rapid development of the Indonesian islands of Batam and Bintang, only 19 kilometers south of Singapore. The northern growth triangle of southern Thailand, northern Sumatra, and northern Malaysia with its base at Penang, is sull in the formative

While the role of oil and gas has declined, they are still vital components of the Indonesian economy. With domestic demand rising 9 percent per year and with oil and gas being depleted, it is imperative that Indonesia discover new sources to avoid having to import oil in the future. Foreign companies have spent an annual average of \$3 billion since 1988 on petroleum development, \$1 billion on exploration.

Meanwhile, Indonesia continues to expand its non-oil-sector through investments. "We welcome every type of investment in both labor-intensive and sophisticated industries," says Mr. Sastrowardoyo.
"We feel that the brightest prospects for investors are in agro-business, agrobased business, machinery, electronics, electrical, consultancies of any kind, hotels, holiday resorts, textiles and garments."

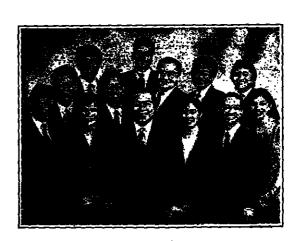
The Indonesian government has been responding to investors' concerns. It recently cut license upproval times from 18 to nine months and is trimming other steps to reduce the approval period to the two weeks required in neighboring Singapore and Malaysia.

On July 22, the investment Coordinating Board announced that a new deregulation policy to be initiated in August will shorten project approval times at the provincial

م مادر الأران المنظم المعاون المراد المراجع والإنجاز والمحروب الزين <u>والمعاونة والمحارية والم</u>راجع والمحمود المراجع

Opening Soon!

We come from Bandung and Paris, Jakarta and Washington D.C., Hong Kong and Tokyo



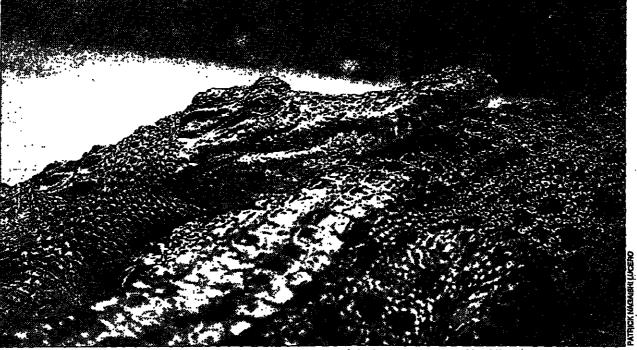
Our common language is you. Only at the Dai-ichi Hotel - Jakarta



Jalan Senen Raya 135, Jahana 10410 - INDONIESIA 200 (Jalana) : 62 (21) 344-2628 - Fax : 62 (21) 344-2929 hone (Tokyo) : 81-3 5460-4583 - Fax : 81-3 5480-4362 Pre-Opening Office: Thone: (62 (21) 385-3985 - Fax: 62 (21) 365-2430, 385-2436







Among the country's rich variety of attractions are Borobudur, with its imposing statue of Buddha (top left); a crocodile farm on Sumatra (above); and a river in Leuser National Park that is popular for rafting (bottom left).

Ecotourism: The Natural Way to Travel

Indonesia's natural beauty has long been a prime draw for visitors, but their appreciation has usually been passive, with nature forming the backdrop for the pursuit of other activities.

Now, a new type of traveler is making active exploration of nature the primary reason for a visit. Capitalizing on its wealth of natural beauty, Indonesia has declared "Environment and Heritage Year 1993" to enable visitors to

experience its wilderness areas.

"Ecotourism is very new to Indonesia, but it has good potential," says Tjetjep Suparman, acting director of marketing for the Directorate General of Tourism. "We have developed an ecotourism plan that includes marine and forest tourism, hiking, trekking and bicycling. Our many national parks lack overnight facilities as yet, but outside the park boundaries, there are accommodations, guides and restaurants. We also try to get people from the area involved as guides and service providers."

Twelve of Indonesia's 27 provinces now have at least

one campground; at the end of 1992, there were 110 countrywide. Foreigners are allowed to camp in national parks; arrangements can be made through travel agencies.

Visitors can take bird walks through the Balinese countryside or bird-watch in Bali Barat National Park on the northwestern corner of the island. They can also hike trails through Kalimantan or Sumatran rain forests.

In addition to hiking and observing wildlife in game reserves, there are more strenuous activities available for the adventurous traveler. Bali and Kalimantan now offer rafting expeditions and boat trips down jungle rivers, and tour operators are studying Sumatra's and other islands' considerable potential for rafting. The uninhabited coastlines of remote islands in eastern Indonesia can be explored in a sea kayak.

The country's thousands of kilometers of shoreline offer spectacular scuba diving and snorkeling opportuni-ties. Flores, the original nutmeg island near Ambon. located east of Bali and Banda Nerira, offers coral reefs and undersea areas filled with an astounding array of tropical fish and plant life.

Indonesia is also home to some of the world's more intriguing animals. East of Bali, Komodo dragons reaching three meters and weighing 150 kilograms (330 pounds) rival the dinosaurs of the film "Jurassic Park" in ferocity. In Sumatra, Kalimantan and other small pockets are orangutans, considered to be among the most intelligent members of the primate kingdom. Scattered through the islands are tigers, elephants, rhinoceroses, loris and other wild beasts.

The more popular sites illustrate the wide range of wildlife found in the country. The 34,000-square-kilo-meter Dumoga-Bone National Park in Sulawesi is home to the tarsier, the Sulawesi civet cat and a variety of snakes, including pythons 10 meters long.

The Penajung-Pangandaran reserve, located near Ban-

dung on Java's south coast, has coral, caves and nature walks. Kelimutu Reserve on Flores Island is famed for its three crater lakes, and Bunaken Marine Park has 50 different types of coral.

Located 60 kilometers south of Jakarta are the famed Bogor Bolanic Gardens, which were laid out by Sir Thomas Stamford Raffles. About 15,000 native and foreign plant species grow on its 87 hectares of land. The Cibodas Mountain Garden, located 30 kilometers south of Bogor, was founded in 1862 on the slopes of Mt. Gede. Dedicated to the study of mountain flora and fauna, the garden is home to the Javan gibbon and 260 species of birds.

Pulau Dua and Pulau Rambut, off Java's northwest coast, are seabird reserves, and Tanjung Puting in south

Hotels: A Room Boom in Progress

With rising investment in Indonesia has come a need for new hotels to serve the business. traveler.

Thirty-three companies are now building a total of 57 hotels in Jakarta designed primarily for the business-travel sector. "Our market research shows that in 1992, 82.5 percent of Jakarta's arrivals were business travelers with only 2 carrent group tours and ness travelers, with only 8 percent group tours and 8.5 percent airline crews," says James Papineau, marketing director for the 669-room Shangti-la Hotel, scheduled to open in early 1994.

In December 1992, there were 305 two-to-five-star hotels in Indonesia with a total of 26 901 mores.

star hotels in Indonesia with a total of 36,891 rooms, but only 25 of the three-to-five-star hotels were in

The street says that Jakarta is oversupplied with hotel rooms," says Maurice W. Templo, director of rooms for the 368-room city-center Dai-ichi Hotel, opening next December in Jakarta. "But Dai-ichi" does not feel that business travelers' needs are being properly met. There have been lots of improvements in technology in city hotels but not in services. We are trying to meet the need by creating a business-

Frank A. Liepmann, general manager of the 335room Citraland Hotel, opening in September, concurs: "The scene has changed. The business-class traveler wants all the creature comforts at attractive prices. Even the profile of the business traveler is changing. We will see more entrepreneurial businessmen and fewer corporate executives."

All three hotels are targeting Southeast Asian nationals and other foreigners, offering them a range of special services like separate check-in, butler service and comprehensive business centers. Dai-ichi and Citraland will cut the usual high fees charged for telephone calls and minibars, a bone of contention among frequent travelers.

Hotels are important social venues in Asia, and efforts are being made to lure local businesspeople with conference centers and other special facilities.

Kalimantan offers boat trips through swamp jungle filled with birds and has a "rehabilitation center" for Borneo orangutans, as well as a guest house for visitors. In Ujung Kulon-Krakatau National Park, visitors will find Javan rhinoceroses, hiking trails, lowland rain forest, a variety of marine life and coral reefs.;

The main attractions at Kordodo National Park are the famous dragons, of course, but the park also has coral reefs. Mount Leuser National Park in Sumatra is an unrivaled primary rain forest, which has a rehabilitation center for orangutans, 320 species of birds, 176 species of mammals and 194 species of reptiles. It is also home to the rare Sumatran rhinoceros, the clouded leopard and the Sumatran elephant. Keriunci Seblat National Park in Sumatra has hot springs, Sumatran chinoceroses, rafflesia, tigers, a variety of bird species and lodging facilities for visitors. At Berbak Wildlife Reserve, the attractions are migratory birds, swamp forests and fresh-water forests.

Presence With A Past



Menteng, a name that immediately conjures images of tree-lined streets, art-deco facades, light fixtures reminiscent of the 1920s and colonial houses. Indeed, the Menteng as we know it today is not too different from the Mentenz before. Many of the lovely houses still stand, only some have been converted into museums, embassies and ambassador residences.

Menteng, named after its original Dutch estate owner, van Muntighe, was built for the influx of middle-class workers who came from Holland to staff the growing commercial city of Jayakarta. or DKI Jakarta today.

Today Menteng is an exclusive residential area steeped in history, the arts, colonial architecture and Indonesian culture. A walk through Menteng will present a surprise at every corner.

We are proud to add another attraction to Menteng, Jakarta the Menteng Park Apartments.



Jl. Pegang saan Barot, Menteng, Jakurta - INDONESIA

Developer & Marketing :

ei SARAN MPRALIMA ARTAMANDIRI ATD PLAZA 11 TH FLOOR, SUITE 1102.

JL. M. H. THAMRIN KAV. 3, JAKARTA 10350 TEL. 062.21, 601 6336 - 37, 601 6030 - 33, FAX. 062,21, 601 6029

R.I.P. The Jakarta Post. 1983-1993.

Can this be true you ask yourself?

Well, the fact is in the last ten years, as we've become Indonesia's leading English language newspaper, the world has changed.

Dramatically.

And to stay in the forefront we're planning to change too. Because we firmly believe that by the turn of the century the role of the newspaper will be greatly different from the way it is today.

Over the next couple of months we'll give you a glimpse of how we envision our new role.

We're hosting a major exhibition of the art of Sumba in April and in May we're organizing a major conference on Human Rights. Hardly, the stuff of an ordinary newspaper. But then we've never been that in the past and we won't be in the future.

So don't mourn our passing. rather look forward to a new decade of insights and opinions, backed by hard news.



Advertising & Circulatina Dent.: Gedung Perintis, Ji Ketahagiaan 6 - 10 Jakarta 11140 - Indonesia Fax (62) (21) 639-0112, 524-4991, 549-2685



Life itself springs forth from the sun. Sinar Mas, as one of the leading business groups in Indonesia, appreciates the gifts of nature and is committed to responsible development and the pres-

ervation of the environment in order to improve the quality of life for the benefit of mankind.

FOOD

The Group's agro-business activities help provide the most fundamental of all human needs - the need for food.

The Sinar Mas Group has roots in the vegetable oil business, having begun operations in this area more than 40 years ago. Today, the Sinar Mas Group has modern refineries producing edible oils and fats required by domestic consumers and food industries The Group also owns and developsover 160,000 hectares of plantations devoted to oil palm, tea, coconut.cocoa and

bananas. Through its vertically inregrated structure, the Group has achieved significant market shares in agro-industry? while adhering strictly to the national standards of health, safety and environsource of strength and mental protection.

SHELTER

From urban housing estates to hixury hotels, the Sinar Mas Group contributes to the essential human need for housing and shelter.

As one of the leading developers in Indonesia, Sinar Mas ensures its diverse real estate projects are developed in harmony with the surrounding environment. The Group's interests include commercial real estate and office buildings, residential subdivisions and condominiums, shopping centers, industrial estates and golf course developments.

EDUCATION

As one of the leading exporters of pulp and quality paper to over 40 countries, and with its dominant share of the printing and writing paper market in Indonesia. Sinar Mas helps make learning possible.

Its subsidiaries, Tjiwi Kimia and Indah Kiat provide a model for Indonesia and the world in waste management, including their exemplary waste water treatment facilities. The Group also makes extensive use of recyclable paper products and bagasse in its pulping operations.

The Group's activities in the pulp and-paper industry adhere to strict environmental policies, including extensive reforestation projects, and maximum use of forest plantations.

> **OUALITY OF LIFE** Sinar Mas works to enhance the quality of life with its wide range of financial services. Sinar Mas operates one of the most profitable local private banks in Indonesia, Bank Internasional In-

> > donesia (BII), which actively supports programs such as the World Wildlife Fund's endeavor to save the Javanese Rhinocerous, Through its consumer marketing program, BII contributes to this project for every new credit card issued.

Sinar Mas has been selected to participate in the government sponsored program "Care '92", designed to educate the public on environmental issues. including pollution control and recycling. The Group's activities in this program include providing loans to small businesses for waste management projects, and the purchase of materials for recycling purposes.

With the source of its business and inspiration found in nature, the Sinar Mas Group is committed: to responsible development through its environmentally sound policies and activities.

Just as the rays of the sun give life to nature, so Sinar Mas shares the benefits of its success.



Sinar Mas means

husiness activities

Golden Rays.

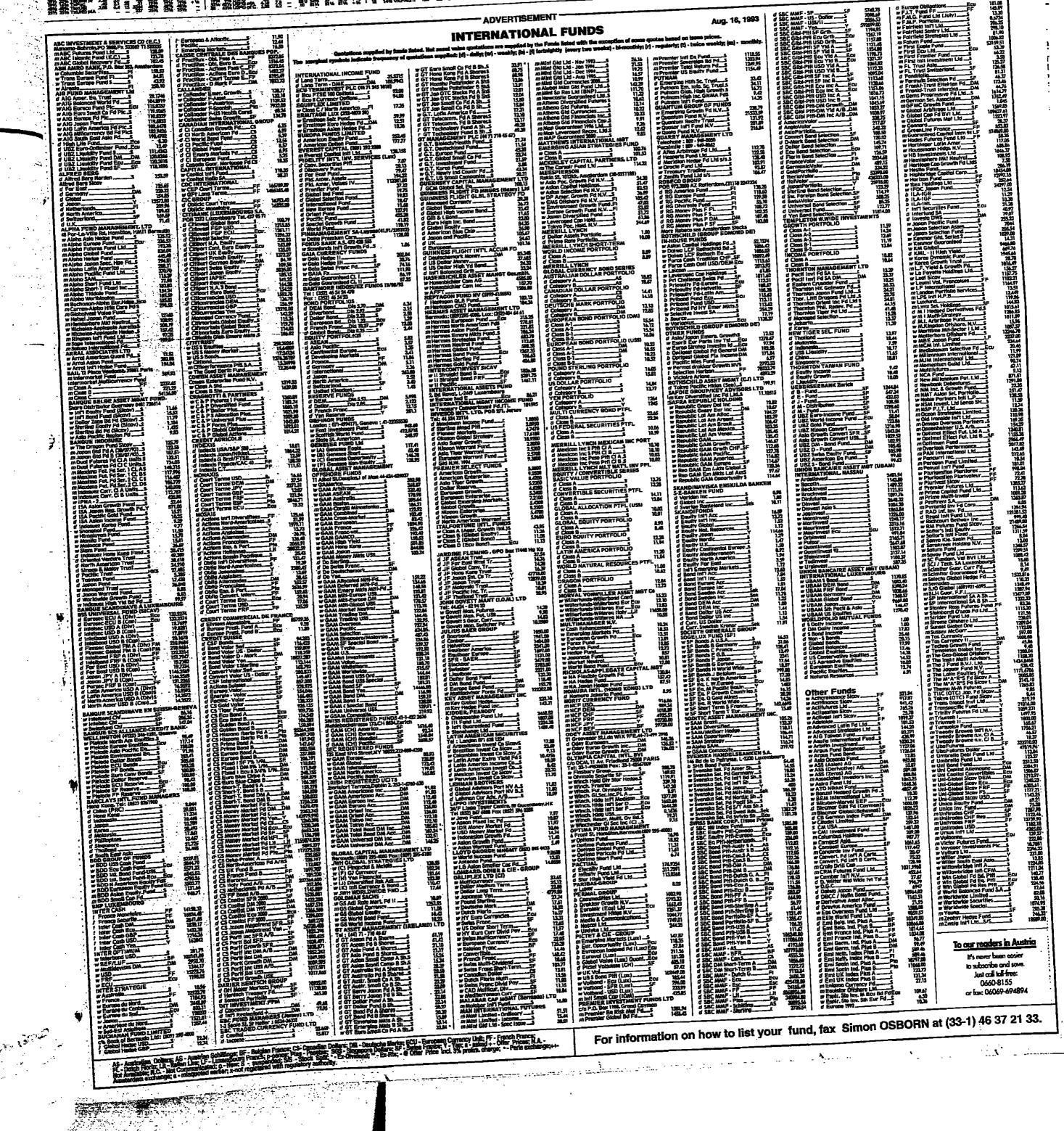
reflecting the

Sinar Mas Group na BH. 12th Root, JL M.H. Thamsin key, 22, Jakana 18350, PO BOX 4295 JKT 10001, Indone Tel., (62-21) 3902684, Fax : (62-21) 3902309

TO OUR READERS IN WARSAW

Morning hand-delivery of the IHT day-of-publication is now available.

Call today: 635 37 75



SPORTS PGA CHAMPIONSHIP

Norman's Putt Spins Out, Azinger Wins in Playoff

By Jaime Diaz

New York Times Service TOLEDO. Ohio -- Perhaps it is simply not meant to be that Greg Norman wins at the Inverness Club. Or perhaps it was just time for Paul Azinger to win.

Either way, nothing but fate can describe the dramatic end of the 75th PGA Championship, After the two players tied over 72 holes on Sunday, Norman watched two putts in sudden death roll bard against the left edge of the hole only to spin out.
The first miss, from 20 feet (6

meters), cost him an outright victory and his second consecutive major championship. The second, from about 4 feet, which came after Azinger lipped out a 6-footer of his gave the 33-year-old Floridian his first major championship.

. Azinger shot a closing 3-underpar 68 over a drier, stingler Inverness, with birdies on four of the final seven holes, the last one coming from six feet on the 71st hole. Like Norman, he narrowly missed a birdie putt on the first extra

"It brought tears to my eyes," said Azinger. "It was a huge burden off of me. I felt I had something to prove. Today, I asked myself: 'Are you capable of doing it? Are you good enough?"

Azinger and Norman tied at 12under-par 272, one stroke better than Nick Faldo and two ahead of Vijay Singh. Azinger gained his 11th career victory, his first in a playoff against two losses, and became the seventh winner in the last eight years to make the PGA his first major victory.

Norman, who began the day with a one-stroke edge over tightly

a sense, rewrite it. Had he won, it would have been the first time a player had won the British Open and the PGA Championship in the same year since Walter Hagen did it in 1924. As it was. Norman became the first to play eight consecutive rounds in the 60s in major championships.

Perhaps more significantly. a victory would have expiated the pain of his defeat in the same championship on the same course in 1986, when Bob Tway holed a sand shot for a birdie on the 72d hole to defeat him.

"I think I feel more down because of the first putt I had in the playoff," said Norman. "I hit as perfect a putt as I could have hit to win. But I can handle adversity pretty well. I lost to a great player. I'm happy for him, but I wish it was

Playing in the last group, Nor-man fell three shots behind after he double-bogeyed the par-3 sixth hole, when he left a sand shot in a bunker, and then he bogeyed the seventh after a poor chip. But he came storming back with four birdies, and after hitting a wedge approach to 20 feet on the 357-yard 18th, he had a chance to win his third major championship outright. After a long look, he bit a furn

putt that, after breaking from left to right, just skimmed the left edge In the sudden-death playoff,

which began on the 18th. Norman hit another wedge approach to almost exactly the same spot as he had earlier. This time, he hit his putt a shade more to the right.

A foot from the cup, it looked to be in, but instead it dipped along bunched leaders, closed with a bat-lling 69. With his lip-outs, he lost a out at a 90-degree angle. After

chance both to make history and in Azinger followed with a narrow miss from 18 feet, the players went to the second playoff hole, the 361yard 10th

There, Norman hit a pitching wedge from light rough some 25 feet past the hole. Azinger followed from the fairway with a wedge that stopped six feet to the right.
Putting first, Norman misjudged

the speed of his birdie punt and left it short of the hole, in almost the identical place from where he had missed a birdie putt in regulation. Azinger hit his putt a shade too hard and watched it lip out of the

right edge of the cup, then tapped

in for par. Norman tried to linesse

his breaking right-to-left down-hiller, but it broke too much and

spun out of the left side of the

The reaction at the ending was more regret and relief than jubila-

"I just feel so fortunate," said Azinger. "It was a very, very diffi-cult day for me mentally. I was so nervous, when I was looking at putts, my heart was beating so hard, I felt my eyeballs flash. At the end of the round, I was gasping for air. I was just trying to get as many deep breaths as I could."

Although there were 18 players within four shots at the begin of the day, the cream slowly came to the top on the back nine.

Bob Estes was in the lead after a birdie on the par-5 8th hole. But when he drove into the bunker on the 10th and bogeyed, and followed with another on the 11th, he dropped to 9 under.

Singh hung with the leaders throughout and tied for the lead with a birdie on the par-5 13th, but when he three-putted the 16th hole



Paul Azinger, hugging daughter Sarah Jean: "My heart was beating so bard, I felt my eyeballs flash."

par putt, it dropped him to 10 un-

The player with the pedigree and the position seemed to be Nick Faldo. Beginning the day two strokes and live groups behind Norman, the winner of five major championships took the lead with a birdie at the par-5 13th. But he could produce no more birdies down the stretch.

A few moments later, there was a from 40 feet, failing on a five-foot four-way tie at 11 under among

Norman, Azinger, Singh and make," Watson said. "I selected Faldo. A hole after that, it was a two players who share my No. two-way battle that came down to the roll of the rim of the hole.

• The U.S. Ryder Cup captain, Tom Watson, named Raymond Floyd and Lanny Wadkins on Monday as his two final choices for the team that will play Europe's top golfers Sept. 24 to 26 at The Belfry

Green trailer recently.

loned trailer across the street.

behind that trailer and searched through the

tall grass found five shiny compact discs

strewn about among the rotting mattresses

and litter. They were soul recordings by the

O'Jays, Curtis Mayfield, Billy Ocean, Kool Skool and one by Tyler Collins.

had taken CDs from Jordan's Lexus and thrown them in the yard. He said his investi-

gators already had recovered about 25 discs.

One question still unanswered was why

Jordan was not reported missing, although his

family had not heard from him in three weeks.

son of a sharecropper, who lived to see his

son earn an estimated \$35 million a year and

become one of the world's most famous

OH, GOOD

Stone said Green and Demery said they

"It was a difficult decision to

two players who share my No. I

criteria: heart and guts."
Davis Love 3d, Chip Beck and Jim Gallagher Jr. made the team Sunday by finishing high enough in the PGA Championship. The first six spots had been clinched, before the start of play, by Azinger, Fred Couples, Tom Kite, Lee Janzen, Corey Pavin and Payne Stewart. John Cook became the seventh af-

Royals Gain a Split, Chisox Lead at 3½

The Kansas City Royals' game against the Chicago White Sox fit neatly into the crucial category.

Kevin McReynolds homered and drove in three runs during a 7-5 victory Sunday that was delayed twice by rain. It moved the Royals to 3½ games behind the first-place White Sox in the American League West as the teams split the fourgame series in Chicago.

"It was a long day, but we won." said the Royals' manager, Hal McRae. "We broke even. We let one game get away. We had a chance to win three-of-four, but we'll take a split." The Royals broke a 3-all tie in

the fifth inning against Tim Belcher. Wally Joyner doubled and scored when shortstop Ozzie Guillen made a diving stop to his right on Mike Macfarlane's single, but the throw to second to get Joyner going back to the bag sailed by Joey Cora into foul territory.

Chris-Gwynn and McReynolds added RBI singles to make it 6-3. Tom Gordon, who beat Chicago for the third time this season without a loss, allowed three runs and seven hits in 06 innings. Jeff Mont-gomery got the final three outs for his AL-leading 36th save. Brewers 6, Tigers 4: Kevin

Seitzer's two-run double ended a sixth-inning tie as Milwaukee beat visiting Detroit.

Twins 12, Athletics 5: Kirby uckets went 5-for-5 and hit two of Minnesota's six homers in Oakland.

Bernardo Brito, 29, a rookie, also homered twice as the Twins completed a four-game sweep.

Angels 14, Mariners 2: Greg Myers drove in a career-high four turs as California won in Seattle with a season-high 22 hits that included seven doubles and only the Angels' fourth homer in August.

In earlier games, reported in some Monday editions:
Blue Jays 9, Red Sox 1: Toronto rocked Roger Clemens for two homers, by Joe Carter and Darnell

AL ROUNDUP

Coles, and six runs in less than four innings to win in Boston and re-main tied with New York for first drove in three runs with two sin-

Yankees 1, Orioles 0: Don Mattingly homered on an 0-2 pitch of from Ben McDonald leading off the bottom of the eighth, and New York beat Baltimore although TV replays showed that a fan had reached over the right-field wall at Yankee Stadium and caught the

Rangers 4, Indians 1: Nolan Ryan pitched two-hit ball over sev-en immigs for his 324th career vio-tory as Texas won in Cleveland before a crowd of 60,727. Ryan (5-.3) passed Don Sutton for 11th on the all-time victory list and Walter Johnson for 17th with his 803d ma-

1

E ...

b::

Bonds-Williams Punch Floors Cubs 2d Time

For Barry Bonds and Matt Williams, it was little bit like the "Anything You Can Do I Can Do Better" lines from an Irving Berlin

Ronds and Williams hit consecutive home runs in the third inning in Chicago. But that wasn't enough, so they did it again in the 11th, giving the San Francisco Gi-ants a 9-7 victory over the Cubs. "It was a good game, exciting," Bonds said. "Too bad there weren't

a lot of people around to see it." The start of the game was delayed by rain for 44 minutes. There "I didn't think we'd play," said the Giants' manager, Dusty Baker. "Our dugout was flooded with wa-

With the score tied at 7, Bonds homered off Randy Myers with one out in the 11th. Williams followed with his 27th homer, a drive that landed on Waveland Avenue, be-

youd the left-field bleachers. Willie McGee's third home run. a drive off Jose Bantista, put San Francisco ahead, 7-6, in the ninth Mark Grace, who had four hits, tied the score in the bottom half with an RBI double off Rod Beck, who blew a save for the 4th time in

Braves 1. Reds 0: Greg Maddux pitched a four-hitter in Cincinnati and Jeff Blauser singled home the
enly run after Deion Sanders tripled with two outs in the third as

Pirrates 4, Marlins 3: Don
Slaught's RBI double in the 11th in
Pittsburgh beat Florida.

Atlanta won its seventh straight, a season high.

Jose Rijo struck out 11 in seven innings and gave up just four hits.
Rockies 4. Astros 3: Shortstop Anduiar Cedeno misplayed Vinny Castilla's grounder in the ninth, allowing the go-ahead run to score in Housian as Colorado won for the seventh time in eight games.

Doug Drabek, 0-6 in eight starts since July 4, took a 3-1 lead into the

NL ROUNDUP

eighth, but Chris Jones and Dante Bichette hit RBI doubles.

Dodeters 4, Padres 2: Tim Wallach, given a reprieve when San Diego's rookie first baseman, Guiliermo Velasquez, failed to catch his foul pop-up in the sixth, homered and Cory Snyder singled in two runs in Los Angeles.

In earlier games, reported in ome Monday editions: Phillies 5, Mets 4: Kim Batiste singled home Wes Chamberlain with two outs in the eighth as Philadelphiz rallied from a 4-0 deficit in New York to win for the fifth time

in six games. Expos 7, Cardinals 1: Center fielder Moises Alou threw out Ozzie Smith at home to end the fourth and Brian Jordan to end the fifth in Milwaukee, while John Vander Wal and Larry Walker each drove in two runs in a five-run fifth.

Jordan Suspects Arraigned, More Details Given of the suspects had provided a confession. miles (96 kilometers) from where the body where Jordan apparently was slain, said she

LUMBERTON, North Carolina - The two 18-year-old men accused of murdering Michael Jordan's father, James, were arraigned Monday on charges of murder, armed robbery and conspiracy. The district attorney said he likely will seek the death penalty. Larry Martin Demery of Rowland, North

Carolina, and Daniel Andre Green of Lumberion were denied bond at the arraignment and returned to the Robeson County Jail. A prob able cause hearing was scheduled for Sept. 3. Robeson County Sheriff Hubert Stone said a National Basketball Association

championship ring that Michael Jordan had given his father had been recovered and called it "very important to our case." Demery and Green were caught in part

through calls they made from James Jordan's car phone over several days following his slaying last month, other officials said. "What happened to Mr. Jordan was the

kind of random violence that all the public are

concerned about and afraid of," said Jim Coman, director of the State Bureau of Investigation. "It could have been any one of us." Jordan, who would have turned \$7 on July 31, was shot once in the chest about 3:30 A.M. on July 23 after pulling his car off Interstate 95 and stopping along the gravel entrance to a store on U.S. 74 near Lumberton in southeastern North Carolina, authorities said without explaining how investigators

were so certain of their facts, or whether either

DENNIS THE MENACE

Stone said Jordan was in the car, with a window down and the doors unlocked, when he was shot. No blood was found because the bullet did not leave his body, the sheriff said. The body, badly decomposed, was found in a creek across the state line in South

Carolina on Aug. 3 and was not identified until dental records were compared Friday. Green was paroled in June after serving; less than two years for a conviction in Robeson County for assault with a deadly weapon with intent to kill and armed robbery, Stone said. Demery was under indictment for armed robbery and out on bond.

Demery's mother, Virginia, who was given rmission to visit briefly with her son after the 20-minute hearing, said, "He had been in trouble. Robberies. He had a case pending. It's hard to believe.

Jordan was driving home from a friend's funeral when he stopped his car to rest, Stone said. His killers then went through his personal effects - and discovered that their victim was the father of one of the world's richest and most celebrated athletes.

"Once they knew it was Michael Jordan's father, they tried to cover their tracks the best they could," by taking the body to South Carolina, said Captain Art Binder of

the Cumberland Sheriff's Department. They apparently kept the car, a \$45,000 red Lexus 400, for three days before abandoning it near Fayetteville, which is about 60

was left, police said. The car ended up with several youths who drove it for a while, then stripped it. It was

found last week on a secluded dirt road near Fayetteville, but officials did not learn until last week that it belonged to Jordan. Four youngsters arrested during the week-

end and charged with vandalizing the car were not connected with the murder, Cumherland County Sheriff Morris Bedsole said. Green and Demery were arrested at the Robeson County Sheriff's Department after

being called in for questioning. No murder weapon has been recovered, authorities said. The suspects broke down and cried as they were questioned, Stone said. Both made statements, but Stone declined to describe

them as confessions. Jordan's funeral was held Sunday in Teachey, North Carolina, a rural town of about 250, at services attended by his son, Michael, other family members and friends.

Michael Jordan "talked mostly about

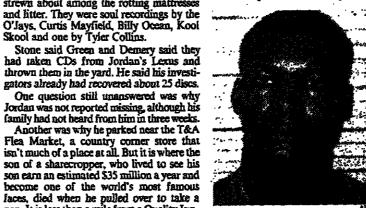
what his dad taught everyone he met and he thanked the people for coming out and show-ing support," said Johnny Williams, assistant pastor at Rockfish AME Church. (AP, NYT)

B Earlier, Kevin Sullivan of The Washingson Post reported:

Gloias Jacobs, who lives next to the Greens's run-down green-and-white mobile home on a short dirt street in Bob's Landing Mobile Home Park, about two miles from



Larry Martin Demery



Daniel Andre Green

faces, died when he pulled over to take a nap. It is less than a mile from a Quality Inn. Rooms there cost \$24.95 a night.





40 chaaces.



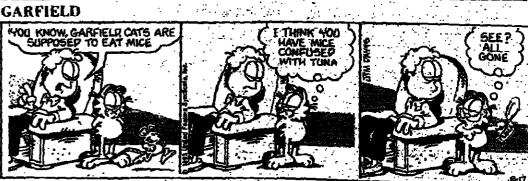


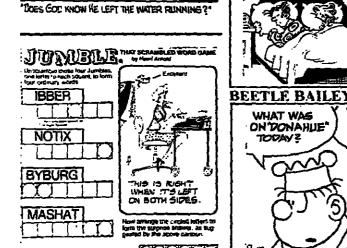




REX MORGAN







and in Salzburg You can receive the IHT hand delivered to your home or affice on the day of publication.

Just coll toll-free: 0660-8155 or last 06069-694894

To our readers in Vienna



BLONDIE

WHAT WAS

TODAY?

DOONESBURY

EXCUSE NO

BOOPSE IS AFFECTING IN

THE WILLIED OUT BRIDGE. OF MADISON COUNTY.

AND ISTHIS

ON DONAHUE"

PEANUTS



I NEED TO TALK TO YOU, CHARLES. DO YOU have time to 60 get A CHOCOLATE SUNDAE?

HOW SOME

WOMEN WIH

NO YOU'RE NOT, YOU'RE

TORON DINONO.



OKAY, ROYANNE.



DO YOU















مكذا من الأصل

SPORTS ATTE Mellick Balks At Questions,

Fine Threatened

VALENCIENNES, France - The judge in vestigating charges that Olympique Marselle tried to bribe the Valenciennes team's players threatened Monday to fine a former cabinet minister for refusing to testify, after turning down Jacques Mellick's surprise request that he be formally put under investigation on allega-tions that he had given the Marseille club's owner, Bernard Tapie, a phony alibi. Mellick, a Socialist member of parliament

who is now the deputy mayor of the northern town of Bethime; left the Valenciennes courthouse less than half an hour after arriving to be

questioned by Judge Bernard Beffy.
His lawyer, Charles Libran, said that Mcilick would answer none of the judge's questions as long as files needed for his defense are barred

Before going in, Mellick told reporters that he would ask to be formally put under investigation, a step that can lead to being charged. Putting Mellick under investigation would have forced Beffy to give him access to the files investigators are building on his whereabouts June 17, the date of an alleged cover-up attempt made by Tapie.

Beffy said he would call Mellick in again, but not before taking a two-week vacation, and that Mellick risks being fined for not answering

Mellick's account of meeting Tapie in Paris from 2:30 P.M. to 3:30 P.M. on June 17 is the cornerstone of the club owner's defense that he did not see Boro Primorac, the former coach of Valencierus, about 3 P.M. that day.
Primorac contends that Tapie met with him

to confirm an intermediary's offer of money and career opportunities if Primorae would take the blame for the match-fixing case. Mellick, more than three weeks after Primorac's accusations, said that he had been with Tapic at the time and never saw the Valenci-

iam Pur

ennes coach there. Last week, a Bethune town hall newsletter showed a photograph of Mellick at a June 17 reception for new employees. The caption pat him there at 2 P.M. Melhck claims the caption was wrong and that he arrived late, about 5

But a source close to the case said Monday that it had been learned that Mellick's chauffeur had bought petrol in Bethune at 1:20 P.M. that day, which would not have given Mellick time to drive the 210 kilometers (130 miles) to Paris to be with Tapie at the crucial time.



Sabine Braun of Germany leaped into the women's heptathlon lead after winning the high jump. But after falling behind in the first three events, Jackie Joyner-Kersee had rallied.

"I'm the victim of a campaign of hate and denunciation," Mellick said before meeting Beffy. "This whole affair is a minor news item that has nothing to do with me." Onlookers cried, "Liar, liar."

Three Valenciennes players have accused Marseille's former general manager of offering them a bribe to throw a league match May 20 so Olympique could save energy for the European

Champions' Cup final six days later. Tapie's club beat AC Milan to win France's first European title; Valenciennes was relegated to the

second division. Mellick was minister of maritime affairs in the last Socialist government, when Tapie was minister of urban affairs. Tapic owns a finan-cially troubled scale-maker, Testut, that is one of Bethune's largest employers. (AP, AFP)

Sieve Efkington, Austrolio
Bruce Fielsher, United Stotes 6-74-67-88-78
Gary Hollberg, United Stotes 6-74-67-88-78
Gary Hollberg, United Stotes 6-74-67-88-77
Lonny Wooklins, U. S.
Brod Foxas, United Stotes
Eduarde Romero, Argentina 61-67-167-728
Lone Jassen, United Stotes
Lee-Jassen, United Stotes
Lee-Jassen, United Stotes
10-17-69-77-28
Ion Wooknam, Britain
Gree Twigge, United Stotes 70-68-71-72-28
Jim Augorern, United Stotes 77-67-69-74-28
Jim Augorern, United Stotes 77-67-69-74-28
Gene Souers, United Stotes 77-67-72-28
Gene Souers, United Stotes 78-67-70-69-78
Gene Souers, United Stotes 78-67-70-69-28
Peter Jocobsen, U. S.
71-57-74-70-28
71-57-74-70-28

Devers Stuns Ottey in 100 Meters As Chinese Women Sweep 3,000

Lat 1000

By Ian Thomsen nonul Herald Tribune

STUTTGART - Standing on the track, her arm around her rival, watching a giant-screen image of them lunging in slow motion across the finish line together, the 33-year-old Merlene Ottey of Jamaica decided she had won her first major individual champion-

Indeed she had broken away from Gail Devers, applauding her own dramatic breakthrough when Ottey heard booming like distant bombs the words she could not believe. Devers, hopping up and down, extending a handshake, had just been named world champion in the 100 meters on Monday night. She is a 26-year-old Californian with an Olympic gold medal from this event already.

Ottey filed a protest through her federation, but 90 minutes later learned that the International Amateur Athletics Federation jury of appeals confirmed the original decision. Ottey must quickly rededicate berself to the 200 meters, whose heats begin Tuesday, in what will likely be her last chance

at the highest award. Starting fast had been Irina Pirvalova of Russia, but she would drop to fourth in 10.96 seconds. Surging past her on either side were the Americans, Devers and Gwen Torrence, who would finish third in 10.89. After a slow start, Ottey was pleased with her final 30 meters. After a long, long wait. in which they and their audience were shown an utterly inconclusive photo-finish on the scoreboard, Devers was announced

ANNOUNCEMENTS

AMERICAN UNIVERSITY

PART TIME STUDY

credit or audit option

REGISTER NOW FOR COURSES IN:

Applied Economics, Art History, Com-portone Lierofure, Computer Science, European Studies, French Studies, Int'l Affairs, Int'l Business Administration, Int'l Economics, Modern History.

Tel. (1) 47 20 44 99

Ocsses begin September 2, 1993

OF PARIS

TECHNICAL

The Technical Writing Certificate Pro-grom prepares you to enter a ingity-pool, striked field for which software companies are recrusting variables. This 8-month eventing program offer comprehensive training by documentation specialists. Computer expertise not nec-seasy. Free Information Session. Aug. 11

THE IHT IS NOW

OF ISSUE

or write/fco

doubted that even one one-hundredth of a second separated

"I don't see how there was any difference in times," said Ottey while awaiting the outcome of her appeal. "You couldn't tell who was first by looking at the photo. Why did it take so long to announce the winner if there was a difference in

The IAAF apparently agreed with her, for the times will be officially reviewed on Tuesday morning. This will not suffice for Oney, who asked that gold medals be awarded to both her and Devers as joint champions. "I don't care about the Mer-

cedes-Benz, said Ortey of the \$30,000 car awarded to each champion. "I only want the gold medal. If they don't want to give away two Mercedes-Benzes, that's not the point. I'm sure they have two gold "All I know is, I ran the race, the

race is over, and I was told I was the winner," Devers said, "If anybody deserves to win a gold medal, it's

"Unfortunately, in a race like this there has to be a winner and a Ottev, who had won 57 consecu-

tive 100-meter finals between her losses in the 1987 and 1991 World Championships, would disagree. "In the last five meters I caught her." Ottey said stoically, "No matter what they say, I will always

know that I won the race." team distance victories by China kilogram) Kirui sprinted off im-

champion at a time of 10.81 sec-onds, to Ottey's 10.82. Ottey and Kenya. A trio of Chinese wom-en occupied the space behind leader Yvonne Murray of Britain early in the 3,000 meters, making it impossible for the favored Sonia O'Sullivan of Ireland to join the

> in the penultimate lap they finished ninth, while O'Sullivan was a distant fourth in 8:33.38, far behind the championship record of 8:28.71 set by Yunxia Qu.

Second was Linli Zhang in a world junior record 8:29.25. followed by Lirong Zhang in a personal best 8:31.95.

The Kenyans worked a different game in awarding a gold medal in the 5,000 meters to their 18-yearold, Ismael Kirui, who won in 13:02.75. Their motive was entirely different from that of the Chinese.

"Our aim is only that Skah is not to win," Kirui said.

Kirui is the younger brother of Richard Chelimo, silver medalist in the Olympic 10,000 meters last summer in Barcelona. His rival was Khalid Skah, the winner of that race by dubious means. The Kenyans believe that Skah and a Moroccan teammate purposely impeded Chelimo so that Skah could win

set the early pace while allowing Skah to mingle among them. With seven laps remaining the 5-1001-3-Ottey's loss obscured a pair of inch, 119-pound (1.60-meter, 54-

back like discarded wrapping. Skah had no response, finishing

fifth in 13:07.18. On the final lap Haile Gebresilasie would slice Kirui's lead from four seconds down to a skinny 0.42, and for that he would finish second in 13:03.17, ahead of and-red uniform after the other, in descending order of height. The assault so destroyed Murray that she home a gold medal to share with his brother.

• Mike Conley, another Olympic champion from the United States, won the long jump with a leap of 17.86 meters (58 feet, 1/4 inch), the best of the year. He had the three longest jumps of the

Olympic champion Jan Zelezny of the Czech Republic won the gold in the javelin with a throw of 85.98 meters (282-1).

Earlier, four athletes, including the silver medalist in the discus at the last world championships, were suspended after failing drug tests this summer.

Dutch discus thrower Erik de Bruin tested positive at the Grand Prix meet in Cologne, Germany, on Aug. 1 and has been banned for

four years, the IAAF said. Three Nigerians were suspended after testing positive for banned substances at their national championships on June 17.

This time Kirui's teammates, Michael Cheshire and Paul Bitok, en's 100-meter hurdler who won the gold medal at the World University Games in last month; Godrey Okugbe, a 110-meter hurdler: and shot-putter Vivian Chukwue-

SCOREBOARD

BASEBALL

Major League Standings 48 48 .0u
West Division
45 51 .547 ...
59 57 .517
59 57 .518
57 60 .867
54 62 .466
52 65 .462
42 65 .482
43 64 .489
MATIONAL LEAGUE
East Division

: GB St. Louis Montreal Chicago Phisburgh Florida New York Son Franc Attente Houston Los Angeles Cincinnati San Diego

Sunday's Line Scores

Monthinsty (13).

Monthinsty (14).

Monthinsty (14).

Monthinsty (14).

Monthinsty (14).

Monthinsty (14).

Monthinsty (15).

Monthinsty (16).

Monthinsty (

ESCORTS & GUEDES

BELLE EPOCH

THE ESCORT SERVICE

LONDON . PARIS

071 937 8052 Crede Carde Wiskons

MERCEDES

LONDON ESCORI AGENCI VOR CREDIT CARDS ACCEPTED TEL: (071) 351 6666

ary (9) and Moctorians: Betcher, McCoskill (5), Cory (6), Pati (8), Rodinsky (5), R. Hernandez (9) and LaVotillere. Karkovice (8), W.—Sardon, 9:3. L.—Betcher, 1-2. Sv.—Montpomery (36). HRa—Konsos City, Gospa (7). McReynolds (7). Chicago. Thomas (31).

Colliorais 169 Tax 519-14 22 9 8 9 169 179. Chicago. Thomas (3).

Sentite 8 88 289-2 8 9 16 169 179. Chicago. Thomas (7) and Myeral Leavy. Commings (2), O. Henry (3), Malson (8). W.—Leftwich (1), L.—Leary. 8-3. HR.—Colliorais. E. Perez (3). Sentite, E. Mortinez (4), Litton (2). SB.—Palonio (38).

NATIONAL LEAST 18 2
Manhred 800 650 620-7 9 1
Aracha, Olivaris (7) and Pagnazzi; Heredia, Rojas (6), Show (9) and Fletcher, Siddell (6). W-Heredia, 2-2 1,—Aracha, 10-4.
HR—Montreol, Berry (7). New York 409 606 608 4 6 9
Philodelphia 61 600 605 5 2
Hillmon. Young (8) and Hundby; Schilling.
Wesl (8), Williams (9) and During, W-Wesl,
5-1. L-Young. 1-15. Su-Williams (32).
HR—Philodelphia, Kruk (19).

Philippersh (1) Institution (1

Colorada.

800 601 621—4 8 8
Houston 200 601 660—3 6 1
Bottenfield, Vicyne (6), Reed (6), Ruffin (8),
Holmas (7) and Shooffer; Drobek, Osuna (8),
Hernandez (8) and Servals, Tanbanase (7),
W-Ruffin, 4-4, L—Hernandez, 3-3.
Ste-Holmas (14),
San Dieon Sun Diego 600 601 601—2 3 1
Los Angeles 162 601 603—4 10 2
Ashby, T. Worrell (7) and Ausmuss Ashoclo, P. J. Mortinez (6), Td. Worrell (5), Goft (7)
and Co. Hermandez, Plazza (9), W.—Asholo, P.
T. L.—Ashby, T-7, Sv.—Goft (22), HR.—Los Angeles, Walloch (13).

geles, Walloch (17).

5on Propolace 194 186 801 82-9 14 8
Chicago 80 080 821 28-7 15 2
(1) scalaus)

Swiff, Righerit (7), M. Jackson (8), Beck (9),
Robers 18) end Morweoring: Moraton, McEltoy (6), Baskle (7), Piesoc (9), Baurista (9),
Mvers (11) end Wilkins, W.—Rogert, 1-2.
L—Myers 2-4 HR—Son Francisco, Benes 2
(34), Mc, Williams2 (27), McGee (3), Chicago,
Sees (27), Roberson (7).

ATP CHAMPIONSMIPS
In Cincinnell, Onle
Slegies, Finel
sel Chiera (7), United States, del. Stebers (3), Sweden, 7-5, 0-6, 4-4.
VIROINIA SLIMS
Advandation Barch, Colifornia

ESCORTS & GUIDES

ARISTOCATS

Lendon Escert Service 1 Shouldham Street, Luadon Wi Tet 071-258 0090 (3 LINES)

INTERNATIONAL ESCORTS

Service Available Worldwick Telt 212-765-7896 New York, USA Major Credit Cards & Checks Accepted

GENEVA * PARIS

"Freity Woman Eccort Service"

Rema coll Generic 972 321 99 61

INTERNATIONAL CLASSIFIED

ESCORTS & GUIDES

GENEVA INT'L GESHA ISCORT AGENCY Tel 022/7007712

· · zurich*

LONDON BRATHIAN Escort Service 071 724 5597/97 Open 7 days

CHEISEA PSCORT SERVICE. 51 Recordomo Picco, London SW3. Tel: 071-584 6513 Established 18 years.

TO OUR READERS

Coroline Escort Service Gene Tel: 01/252 61 74

4TH IAAF WORLD CHAMP MER'S TRIPLE JUMP FINAL

MER'S TRIPLE JUMP FINAL

1. Alike Contey, United Stokes, 17,36 meter

2. Leonid Volostin, Rosaio, 17,45

3. Jongthon Edwards, Britoin, 17,44

4. Rotti Jores, Germony, 17,34

5. Pierre Comera, Fronce, 17,28

6. Denis Kopuslin, Russio, 17,19

7. Anislo Shou, Beccii, 17,19

7. Anislo Shou, Beccii, 17,19

MEN'S JAVELIN FINAL

WOMEN'S 3,000-METER PINAL
1. Qu'Yumin, Chino, 8 minutes, 29.71 seconds
2. Zhong Linit, Chino, 8:29.25
5. Zhong Linit, Chino, 8:35.25
4. Sonito O'Sullivan, Ireland, 8:33.28

Robin Jobbour, Morocco, 13:87.15 Brohim Jobbour, Morocco, 13:18.87 Alois Mizigoma, Burundi, 13:29.59 Brown Islama, Borundt, 13:29.59 Poul Bitck, Kenya, 13:22.41 Robert Denmark, Britch, 13:27.99 9, Mathias Nitreulikura, Rwanda, 13

WOMEN'S 188-METER FINAL

1. Golf Davers, United States, 10.81 se

2. Meriene Ottoy, Lorenice, 10.82

3. Gwert Torrence, United States, 10.84

4. Irino Privolova, Russio, 10.94 Great Torresco, Sussio, 1996 Info. Privolova, Russio, 1996 Mary Onyoli, Nigerio, 11,05 Neislya Veronova, Russio, 11,20 Nicole Mitchell, Jamaico, 11,20 L Litiana Allen, Cuba, 11,23

GOLF

Finel scores Sender of the PGA Chempion-ship on the 7,224-rord (4,223-corter), per-71 inverness Clab course in Tolach. Chile: x-Pord Azimper, United Stotes 64-64-9-68-272 Grap Manages, Australia. 43-67-68-272 Gree Norman, Australia (8-49-67-27)
Nick Felde, British (8-69-48-27)
Nick Felde, British (8-69-48-27)
Nicy Sheph, Fili Tom Workson, United Stories (9-65-77-72-27)
Hote Irwin: United Stories (9-66-77-27)
South Simpson, United Stories (9-66-77-72-27)
Dedley Hort, United Stories
Dedley Hort, United Stories
6-68-77-72-277

ESCORTS & GUIDES

KENSINGTON Escot Agency. 10 Kensington Church St. London (07) 937 9133/9136. Credit conts.

Second Service. Credit cards accepted Tel: (07 / 63 63 37.

PIANNA ICNDON ESCORT SERVICE American & Brooking, 7 days, London/Heatistow (85) 623/34

TURICHY SERNY BASEL Front Service Tel: 1077/97 29 67.

MORRISON CLUB - VISIQUA ESCORT Service. S., Rochie Wierzelle 2n. 1272/56 86 84.

Jim McGovern, United Stotes 71-67-69-72 281 Fronk Nobile, New Zealand 69-67-72-721 Gene Soures, United Stotes 69-77-79-722 Loren Roberis, United Stotes 69-77-79-722 Loren Roberis, United Stotes 69-77-79-722 Loren Roberis, United Stotes 69-77-79-722 Holl Suiton, United Stotes 69-77-79-723 Holl Suiton, United Stotes 69-77-79-723 Holl Suiton, United Stotes 69-77-79-723 Holl Suiton, United Stotes 79-78-79-723 Holl Suiton, United Stotes 79-78-79-723 Holl Suiton, United Stotes 79-78-79-723 Holl Reverse, United Stotes 79-78-79-723 Holl Reverse, United Stotes 79-79-79-723 Holl Reverse, United Stotes 79-79-79-723 Holl Reverse, United Stotes 79-79-79-723 Holl Stotes 79-79-79-79-79 Stu tragradom, United Stotes 79-79-79-79-79 Stu tragradom, United Stotes 79-79-79-79-79 Holl Stotes 79-79-79-79 Holl Stotes 79-79-79 Holl Stotes 79-79-79-79 Holl Hommond, U. S. 79-79 SOCCER

WORLD CUP QUALIFIERS

Belivia 1, Ecuador 0 Uruguay 1, Brazil 1 FRENCH FIRST DIVISION Marseille 1, Peris St. Germein 0

ESCORTS & GUIDES

*** GENEVA SCANDINAVIA ***

*** EXCRT SERVICE CARCLE **

Tel 107 / 25 37 17.

VIENNA *PARTS **COTE DAZIR**

Eurocontact Infl. Econ + Trovel.

Service. Col Viesna +451-330 27 97.

** ZUBOTA - EEON **

Notobe Scort Service

Tel. 01 / 461 76 27

FR A N X F H R T - **TOP TEN** Tal. 01 / 461 76 27

F.R. A. N. M. F. B. R. T. - "TOP TEN"
SCORT SERVICE TEL. 059 - 597 4338.

DALY FROM Zorn.

URNA. BSCORT
Tal. 0172-3014:95

Score Server FIALY PARES COTE D'AZUR French Riviero Escort Agency Del Ber 1 + 29 184 348 97 PROMA *BERLIN*ZURSCH*
KENNEDY'S mil Escort Service. Cal
head office in Venna +43 1 5321132

OFFSHORE COMPANIES FROM £150

Varioni countries, full services, INTERNATIONAL COMPANY SERVICES (UK) LIMITED Scondargot House, 2 - 5

REAL ESTATE BUSINESS SERVICES FOR SALE PARIS & SUBURBS **SAVE ON**

International **Phone Calls**

U.S. and save as much as 65% compared to local phone companies. SAVE UP TO 50% off the major Cradit Card DIRECT Services. Pay less than U.S. originating oversus.

AMERICAN UNIVERSITY dépendences de formation permanente KALLBACK DIRECT Tel: 1/206-286-5280 Fax: 1/206-282-6666

417 2nd Avenue West Seattle, Wa. 98119 USA BUSINESS OPPORTUNITIES

OFFSHORE BANKS dicte delivery, US \$25,000 up. Tel. 44 (07) 394 5157. OFFSHORE COMPANIES. JPCR 1/5
Charch Street, Douglos, Ide of Mon.
Tei: (0624) 679529 Fox: (0624) 629662
28" STIBRED CTV MARITYSTEM,
High class W-GR Product, Ask for
further details Fox: (49)6171-980254

AVARABLE IN MANY U.S. CITIES ON DATE REAL ESTATE

Atlanta, Boston, Chicago, Detroi, Houston, Loz Angeles, New York, Philodelphia, Son F and Westengton D.C. Magnificent road top duples opportune in turcinous residence, paracramic sec m terrerous resource, parties of the ment room.

3 beds coms. 3 basts, dressings, proceedings of the mention of

In the U.S.A., call INTERMEDIA SOLE AGE! TOLL PREE 1-800-882-2884 Tel 32-03 50 66 84 Fex 33-73 50 65 52 in New York , call (212) 752-3890 USA RESIDENTIAL

Herald & Eribunc. **JOHN TAYLOR** SOTHEBY'S ALCOHOUCS ANONYMOUS English speciming meetings doaly. Tel: PARS (1) 46 34 59 65 or ROAKE 678 0320 or HANKRUET 977-265. Call Monica Beres

54.14 Crostne open Cames Cener

191. 53 26 18 56 FAX 12 38 13 55

RELING low? — heaving problems SOS HELP croix-line in Emotels, 3 p.m. 11 p.m. Tel. Paris (1) 47 ZZ 80 80. THE MOST EXCLUSIVE MOVING ADDRESS IN AGS THE UNITED STATES

legisces magnificent, paracranic wews of Central Park in New York's most describile neighborhood. A.G.S. LONDON (4481) 961 7595 A.G.S. PARIS [33-1] 40 80 20 40 A.G.S. BERIN (49-30) 421 28 65 A.G.S. PRAGEE 142-23 655 7716 A.G.S. MADRID [44-1] 411 41 77 A.G.S. ARIDLAN (225) 77 78 45 Old world craftsmanship.
 Large public rooms.
 Malaple bedrooms.
 Malaple bedrooms.
 Malaple bedrooms.
 Malaple bedrooms.
 Malaple bedrooms.

BUSINESS TRAVEL

1st/Business Class Frequent Travelors
Andrew Arctic No. & So. America. Sowe up to 50%. No cou-pore, no restrictors, impendi Connotinal Tel 514341-7227 Fax 514-341-7998. BUSINESS SERVICES BEAUCHAMP ESTATES

Estado organica und visionera 24 (2010): Sirent London W1V 7AE Velepinone 0/1 499 7772 Fau 0/1 629 1077

1049

CHTH AVENUE

INTERNATIONAL CLASSIFIED TO RENT/SHARE PARIS AREA FURNISHED

AGENCE CHAMPS ELYSES BOUGIVAL - near Paris la Dafanse acumous estate 90 sq.m. living, 6 bed specialists in furnished apartments, residented creas, 3 months and more. Luxumous estate 90 sq.m. Ivang, 6 bed 100ms, 6 baths. 2000 sq.m. park, pool. Tel: 1-3062 6145 Fext: 3918 0065 Tel: (1) 42 25 32 25

SWITZERLAND 74 CHAMPS ELYSEE EL ME (TREAT & LE CLARIDGE FOR 1 WHEK OR MORE high class studio, 2 or 3-room operations. FULLY EQUIPPED, INWEDIATE RESERVATIONS. Tel: [1] 44 13 33 33 MUNITER RESORTS

 Sale to foreigners authorized, our specially since 1975 saled APASTIMENTS/CHALES in MONTREIX, VILLAIS, LEYSIN, LES DIABLEETS, GSTAAD, CRANS-MONTANA, VERBER, etc., From ST. 200.000. (Mortgagm) EF/AC S.A.

 Alesthelant, CH-1211 Geneva. 11th, CHARMING & CHRE DUPLEX 2/3 bedrooms, 2 bulls, dishwasher, wraher/drier, dishes, fraen, 2 phone ines. August 18 to May 1994. US\$1,800:no. Tel. [1] 48 06 48 35

REAL ESTATE NEAR LATIN QUARTER 1 to 3 years. Pleasard 100 sq.m. flot with large serroce on private garden, double in-arg room, 3 beds, 2 bashs, FTI,3800/ mg rel. fet 1-4331 1/28 [5 to 8 p.m.] TO RENT/SHARE

HOLLAND 8 Short Term Leases for benn) furnalised houses 8 flors Tel - 21 0.650071 Face + 31 2t 0.380475.
Kenzersig sicht 33, 1015 CD Amsterdam PARIS AREA FURNISHED

PARIS "BETTER THAN A HOTEL"

OFFER YOU !!
CUALITY APARTMENTS

• Livery furnished
• Fully equipped
• Mod & Livery Service

Mod & Dress Server
Location

In front of "the Seime"

Close to the Effel Tower
ord "Trocastero" Square

Prices Storting of USS/10) are week

For further information & reservation
and 1-4525 9501. Fox 1-4288 2991

···· TO ESTITION Hondpided opplay apartments, of sizes, Ports and suburbs, CAPITALE PARTNERS Tel. (1) 44 43 88 15. Fax (1) 44 43 88 10.

14th, NEAR PARC MONTSOURS 250 sq.m. high class TOMN-HOUSE 6 bedroom, 2 borths, gorage on porden, colm. Professional use possible Rent PZ5,000/month. 1et (1) 42 36 00 04 9th, RUE LAHTIE, 5/o-room apartment, all comforts, newly redone, character, freglace, F13,000/month. 1et (1) 42 36 00 04

of all sizes throughout Paris. AHA Tel 1-4026 0190. Fax 1-4026 5094

PARIS AREA UNFURNISHED

Embassy Service

YOUR REAL ESTATE

AGENT IN PARIS

Tel: (1) 47.20.30.05

that the International Heraid Tribune cumet be held responsible for loss or damages incurred as a re-sult of transactions stemming from advertisement which appear in our paper it is therefore recommend-ed that readers make aped mat reases make op-propriate inquiries before sending any money or en-tering into any binding commitments.

READERS ARE ADVISED

EMPLOYMENT GENERAL POSITIONS AVAILABLE

GEN. FRIDAY for recruitment position within a few months. Must be French, certectly bringued in English. Send CV. photo & letter of motivation to Box 3330, LH.T. F#2521 Neutly Cdx.

GENERAL POSITIONS WANTED CREATIVE, MILIT-TALENTED MAN (20), British, degree in media studies, experienced in strany fields, seeks in-teresting work capywhere in the world. Tel. UK BI 423 6367. WIDE SELECTION OF QUALITY FLATS

EDUCATIONAL POSITIONS AVAILABLE SEEKING PART TIME EXPERSENCED TEACHER OF ENGLISH, for calul

LEGAL SERVICES

DTVORCE FAST. \$295.00. P.O Box. 8040, Anobern CA 92802. Coll/Fox. (714) 968-8695 USA. LOW COST FLIGHTS DAILY FLIGHTS AT LOWEST FARES to ony major North American and airpor Tel: IFT Paris (32-1) 47 55 13 13.

Frox. 972-9-385685 JORDAN: Forus Zon Jai, P.O. Box 811739, Aramon, Jordan. Tel: 624430, Tex 22227 MKGO. KUWAIT: Wenthy Raid, P.O. Box 6220, Howell, 32038. Tel. & Frox. 2522485. N. & S. YEMEN-Shoren Instrum P.O. B.

Tel. & Fax: 25/23/83.

N. & S. YEMBH: Shony Lagracon P.O., Bax 864, Al Zuberry Street, Al Surmelay Bidg. Sone a. Tel: 74/233. Tir. 26/05

ONAN: Anno and Beris Makin, P.O., Bax 50167 Akadinati Colocos, Sukanada ol Onson, Tel: 60/24/20.

QATAR: Add Sukan, P.O., Bax 37/97.

CR CHISTR. 192: 0435421.

GATAR: Adel Soliton, P.O. Box 3797,
Dobn. Color.

Tel: 416535/411177.
Forc. 412727.

For: 41272.
UNSTED ARAB EMBATES: Mr. Roni Rou P.O. Box 22154, Shorjeh, United Arab Emirotes: 1et (105351133. Fox: 1054274888. Teles: 68484 TENGEF.

AFRICA

BOYPF: Leila Radom. 10 Gezinet El Arch Mehandesine, Caina, Egypt. Tel: 34 99 838. Tel: 21 274 VPCO UN. Fox: 3444 429.

Margie Opiny, Promotion (Pty.) Ltd., P.O. Box 130351,

Reyensten 2021, Tet 706.14:08, Tec 421059. Fesc 706.34:66.

SOUTHERN AFRICA

For investment information read THE MONEY REPORT

every Saturday in the IHT Herald Eribune.

PLANNING TO RUN A CLASSIFIED AD?

Place your Ad quickly and easily, contact your nearest IHT office or representative with your text. You will be informed of the cost immediately, and once payment is made your ad will appear within 48 hours. All major Credit Cards Accepted. ISRAE: Don Elvich, P.O.B. 99, Hertzkyo 46101, bened lid Awiv. 1el. 977-9-586245, Fox: 972-9-585246 **EUROPE**

NETHERLANDS: Matthew Greens, P.O. Bov 53196. 1007 RD Amsterdom, Tel.: 6730757, For. 6737627.

NORWAY & SWEDEN: Finn ledeld, P.O. Box 115 5040 Possess, Bergen, Norway, Id:: [47] 55 913070. Fox: [47] 55 913072.

PORTUGAL W. Sishop Ido. P.O. Bor 1081. 2775 Portota, Isbon, Portogol 1el: 351-1-55-7293. For: 351-1-457-7352.

SPAIN: Alfredo Umbalfi. Dodor Fleming, 53-1, 28036 Modrid. Tel.: 3508789. Fic: 3509257.

TURKEY: Sobs Sarol Nisontoni, Vo-litoregi Cadder, YKV Binasi 1/1, Istonbul, Turkey Tel.: 2320300, fox. 2460566 Te: 26388. ODVITR.

9MT/258LAND: Morsical Waler. P.O. Ber. 511, 1007 Pay, 5-itzerland. Tel. (021) 726 30 21. Fas. (021) 726 30 91.

FUROPE PARES: [HCI] 181 Ave. Charles de Gaude, 92521 Neurly Cedes. Tel. (1) 46 37 93 85, Fax: (1) 46 37 93 70. AND DERA: Guido A. Berini B.F. 279 Pf. Andonso Lo Vello. Principolity of Andonso. Tel.: 28 264. Frac 28 264. ERMANY, AUSTRIA & CENTRAL ERECPE: Friedrichstone 15, D-60323 Frontier: Tel: 1069 72 67 55 Thc 416721. Fx 1069 72 73 10.

ELGREM & HIDEMECHERS: Arthur Meiner, c/o land, 57 no 18. Colors, 8: 1060 Brosets, Tel: 343,18,99, 343-1914. Frz. 346-0353. GREECE & CYPRUS: Alberto J. Corro, 4 Arlandiau Str., 155-62 Habargos, Afrans. Tel.: (20)16535246 Fax: 654-5513.

DENBANK: E.M. Klabien Kestelvej II. DK-2100 Copenhagen, Densank. Tel.: 31 42 93 25. RNIAND: Bis Messlo, Or Publiscen A8, Freshkinken 338, \$5,00120 Hebiski, Finland: bel: 647412 Fox 6121112

11AlY: Giovei Soddu, Via Cassalo, 6 Nilano 20122 loly. Tel: 58315738. Fac: 546.2573.

UNITED KINGDOM: 63 long Acre, landon, WCZE 934. Tel: 071 836 4802. Teles: 262009. Fox: 2402254. MIDDLE EAST BAHBARL Fenello Flanagon, P.O. Box 10787, Maxama, Bahrain. Tel./fax. 591734.

FAR EAST HONG KONG: Moloysis Bidg., 7th Floor, 50 Gloucester Bood, Hang Borgs. Tal.: (857) 8510516 fbs.: 61170. Fax: (857)8613073.

NEW YORK: Infilhend Intune, 850 liting Ave., 8th it, NY, 10027 Tel: 212752-3890 foil free: 800577-7212. Its. 427175 Fix 212-755-8785.

*GENEVA * PARIS * AMANDA*
Excurt Service, Trovel, Westend Morerests, Serese Sensonde Tel (97.22.24.11

IN HOLLAND The International Herold Tribune is now on newsstands throughout Holland every morning six days a week Monday-Saturday. If you have problems getting your copy, please contact: Edipress International BV P.O. Box 554, NL 2130 AN Floofddorp Tel.: 02503-24024/Tx-41833/Fox: 02503-23880 The state of the s

ART BUCHWALD

Waiting for the Doctor

WASHINGTON — The U.S.

The government has to assume that every doctor in the plan is a studied and restudied. Every part good doctor and therefore worth matters for It also feels that any of it has been analyzed under a microscope. But the one area being ignored under Hillary Clinton's plan is how long you will have to

wait to see a doctor. Milton Ramrod, M. D., is the first to study the effects of waiting for a doctor on a

person's health. Our studies indicate that the longer you wait sicker you feel. To prove this. we conducted an we conducted an experiment. We filled the outer office with patients. Then we

called the name of one and he entered the doctor's office with a jaunty, light step.

"The last person was called eight hours later. His blood pressure was soaring, he was frothing at the mouth, and he could hardly tell the doctor what was wrong. We concluded that all these symptoms began in the waiting room and had to he treated along with the ailment the patient already had."

a doctor?" "Not under the government plan. You can't have Washington involved without people sitting around. Waiting is the price we pay

for good federal health care." be good? As I understand it, many of the best doctors are going to hand, if you can't afford it, a \$25 refuse to take patients who hand in hernia operation is better than no

waiting for, It also feels that any doctor who won't sign up for the national health plan is a bad doctor and not worth waiting for. He should be avoided like the plague."

Do your studies show how long under the government plan a person may be forced to wait to see a

"We have no scientific data on that, but we estimate that it could be anywhere between three weeks and six months. We project that waiting for a doctor will be one of the favorite pastimes of most American citizens

How do you think this will work out?"

"Well, let's say that you need a hip replacement operation. You'll get a lottery number. If your number is called, you get the operation. It's fair and everyone has the same chance to be operated on."

"Suppose you want a second opinion?" "You can get one by applying to member of the Supreme Court."
"Do your studies predict that the average person will be getting bet-

ter medical treatment than they do "Not so far. You see, a great deal of the national health-care plan will "Is there any cure for waiting for be run by people not necessarily

trained in medicine. They will decide who gets anesthesia and who doesn't, as well as how much a hernia operation will cost. "The only drawback is if they say

that a hernia operation is worth How do we know if it's going to \$25, then the surgeon may give them a \$25 operation. On the other operation at all."

German TV War Heats Up

 $B^{\,\text{ONN}}$ — A new commercial television station that hopes to lure German teenagers away from American and British music videos will be taunched this week as competition heats up for viewers and

Setting its sights on the popular international version of MTV. Cologne-based Viva hopes to appeal to the nation's youth. It promises that at least 40 percent of its rap, enjoyed a monopoly.

advertisers.

The idea for Viva came from a consortium of music video producers in Hamburg.

Viva, which will go on the air Thursday, is the latest of half a dozen new commercial stations to go on the air this year, challenging the two state-owned networks.
ARD and ZDF, which had long

Novelist Spark: Cross Her at Your Peril

By David Streitfeld

NEW YORK — Just because she's a legend in literary circles. Muriel Spark says, that doesn't mean she's got to keep her mouth shut when people betray her. So she gives as good as she gets. Often rather better.

About her former collaborator and onetime good friend Derek Stanford, she says tartly: "I try not to be too subjective about this, because I hate the man's guts. But looking at his work compared with mine. I don't really think it's good enough."

And then there's her former editor, Alan Maclean. "He was having this terrible

breakdown with alcohol." Spark says. "He could never keep an apartment. He was always weaving about and stumbling

Maclean's particular crime was saying the wrong thing to The New Yorker for a recent feature on the novelist, who at 74 has become both a grande dame of British literature and, two months ago, a Dame of the British Empire. The topic was Spark's

"She was really quite batty." Maclean said. "When she was doing the Observer crossword, she believed that the answers to the clues were messages mocking her. And she thought that I was one of 'them' — them being the people who were plant-ing the clues. For a long time alterward, when she was under pressure she would react very badly. She would feel that things and people were against her." Spark certainly feels that way now

about Maclean, whom she says she first met in 1955, "I didn't imagine anything at that time. I was well over my breakdown, I tried to be friends and I'm really sorry for him. Now he comes out with all this, I

think he must be on the bottle again." In Spark's autobiography, "Curriculum Vitae," the only people exempted from tough-minded criticism are her parents. "I'm awfully tired of books by people who have suffered, and they blame all their sufferings on their mothers or fathers." she

Sure, there are bad parents and battered children, more every year it seems, "but the normal parents are just human beings, and have their defects. Everybody's awful if you want to look at it that way."

Spark has traveled from her Tuscan home to New York to talk about "Curriculum Vitae." It's a rare visit despite the recent purchase of a Manhattan apartment. She doesn't travel to her native Britain very often either. "The English climate alone would put me off.

"I like my English friends individually." and she clearly doesn't like them collectively. "They really have to change. Either become Republican or . . . They haven't absorbed the people who've come in. They're racist. One's best friends come out with the most racist remarks. They don't know they're doing it."

Spark, one suspects, always knows what she's doing, and never more so than in "Curriculum Vitae." Yet it remains a curious work, an autobiography written with some of the dispassion and much of the research of a biography. The first half offers an exact description of the world that surrounded her as a young girl in Edinburgh; the butter, her neighbors, the tea, her teachers. It's charming, but a bit impersonal.

This rectitude is more than compensated for in the lively second half, which covers the first decade and a half of her adult life. She's still not sure why she married Sydney Oswald Spark, a teacher 13 years her senior. Maybe it's because he brought her flowers when she had the flu. From my experience of life," she writes, "I believe my personal motto should be, 'Beware of men bearing flowers.' couple went to what was then Rhodesia, had a son, and quickly watched their marriage go under. Her husband became "a borderline case, and I didn't like what I found either side of the border."

Back in London with her toddler. Soark took a job helping disseminate fake news stories to undermine the Germans' will to fight - training in trickery that was perfect for a future novelist. After the war, she carved out a career as anthologist and editor, working in collaboration with Derek Stanford. Their relationship fell apart when Spark became successful. "He endured, in fact, a nervous breakdown at the time of my first success," she reports.

The memoir ends with the publication of her first novel. "The Comforters," in 1957. A semi-autobiographical tale of a Catholic novelist who has a breakdown, it had the good luck to be praised by Evelyn Waugh. No first novelist could have asked for a more auspicious sendoff.

Still, Spark doesn't delve very far into her psyche. She passes lightly over her conversion to Catholicism, her breakdown and exactly why she became a novelist. Nor does she clue readers in as to the ultimate fate of her husband, beyond his return to Edinburgh "for an endless series It turns out that he is still alive and still

in a mental hospital. Photos of the young Spark reveal a strikingly beautiful woman, sometimes impish, sometimes imperious, always someone who knew she must be taken seriously.

Spark's novels tend to be brief as well as elusive, succinct glimpses of a larger puz-



A novelist on the watch? "All the time," she says. "Looking and listening."

zle. "It's a question of good manners," she says. "I don't think you should inflict too much." Unlike many writers with equally long shelves to their credit, her work is fairly consistent. Like one and you'll like

Sometimes the books are labeled "satirical," a word she finds crude. "A satire would be something like, I suppose, 'Gulliver's Travels.' I have a comic strain but my novels are serious, I assure you. . . . Sometimes one makes one's own category, YOU KNOW.

Such self-assurance mingles with concern over her literary future. "I just wonder when I die, what will happen to my name?" she says straightforwardly. "Will it just blot out? Sometimes that happens. Or will it go on? You see, one doesn't know about this sort of thing."

Martin Stannard is confident he knows... The author of a highly acclaimed two-volume life of Evelyn Waugh, he received Spark's permission last year to do her biography. "She's a very great writer, one of the major British writers of the 20th century," Stannard says. "If people find that they don't know what to make of her, that's only because she's ahead of her Or maybe she's just deeply buried in it.

This, it turns out, is Spark's own view, "Take Iris Murdoch," she offers. "I suppose you're going to quote me on this but the thing about her is, she doesn't look. In her novels she'll have a secretary or a typist putting on her hat and gloves. Peo-ple haven't been wearing hats and gloves for a long, long time. She hasn't looked at modern life much. She's there in Oxford."

Then she reconsiders, "It won't matter. In 50 years' time, they'll look back on her as if she were George Eliot, who also didn't look much. Jane Austen looked. The Brontes looked. They knew what people wore.

Spark, of course, is always on watch. "All the time," she says, "looking and listening."

No regrets, then? "I hope I wouldn't have to do it all over again, because I might not be as nice to people."

PEOPLE

16 Years After Elvis 'Left,' Fans Still Come

The King "left the building" 16 years ago, but adoring fans keep showing up on the anniversary of Elvis Presley's death at Graceland. it was common at Presley's concerts for fans to linger hoping for a last glimpse until they heard the announcement, "Elvis has left the building." Up to 7,000 faithful fans made a candlelight procession past his grave in Memphis Sunday night and Monday morning, leaving flowers or other tributes.

Princess Diana wants an early divorce from Prince Charles, the Mail on Sunday said in a frontpage report by Nigel Dempster.
The columnist said Diana, 32, had told friends that her physical rela-tionship with Charles, 44, lapsed during an official visit to Portugal in February 1987. There was no comment from the palace.

A court order in hand, Woody Affen visited his five-year-old son Satchel in Ireland where the boy's mother Mia Farrow is making a movie, but did not see the 7-yearold adopted daughter, Dylan, that Farrow has accused him in court of molesting Allen, 57, traveled with Soon-Yi, 22. Farrow's adopted daughter.

Clint Eastwood, Michael Jordan, Tim Allen and Garth Brooks are America's favorites, according to. that American institution: the poll. Fastwood's nearest film star competitor in a recent Harris poll was hn Wayne, even through Wayne has been dead for 14 years. They were followed by Arnold Schwarzenegger, Tom Cruise, and Mel Gibson.

Since Ireland granted Jean Kennedy Smith, 65, the American ambassador, the right to a private quarantine center at her Dublin residence so that her pet dogs would not have to spend the required six months locked up by the government, three foreigners have asked the government for the same

INTERNATIONAL CLASSIFIED Appears on Pages 4 & 8

WEATHER

Forecast for Wednesday through Friday, as provided by Accu-Weather. Europe 27/80 21/70 30/86 32/89 31/88 32/89 20/68 24/75 27/80 20/86

ACROSS Hari of soydon 24 Where to see s Cancel a space

26 Borgla potion 29 Parts 14 Ripley's "Believe 33 Matign 15 Like some 35 Slumgullion

CROSSWORD 42 "---- of the Middle Border 21 More wrathful 4 Alpine ridge: 23 Chemical suffit

44 Bucolic ≰ Adam's 46 Gunther's throwaway 7 Decay 47 Poin efter initial

9 Sea off Alaska of 24 Across

30 Succinct 31 Take en ce

If you're going to travel all over the map, here's how to call from almost any point on it.



| / | T&T Acces | s Numbers | |
|---|---|--|---|
| TAMOORBA | 190-0011 | LEBANON' (BERT | |
| *ARMENIA" | 8074111 | LIBERIA | 787-79 |
| AUSTEIA | 922-983-811 | *LIECKTERSTERK | |
| BAHRAIN | 800-001 | LITHUANIA | 80191 |
| "BELGRAM | 078-11-0010 | LUDGEMBOURG | 0-800-011 |
| BALGARIA | 00-1800-0010 | "MALANT" | 101-1992 |
| CAPE VERDE ISLA | NDS 112 | -MALTA | 0800-890-1H |
| CEIGHTLA: * | 99-38-0011 | MONACO | 190-081 |
| CYPRUS | 080-90010 | METHERLANDS | 060-822-911 |
| CZECR REPUBLIC | 09-420-08101 | NIGERIA | |
| DENMARK | 8801-0010 | Special LISADErect 7 | alephone Location |
| ESYPT (CAURO) | 510-0200 | "FIDRIWAY" | 050-12011 |
| FINILLARD | 9866-160-10 | | 001B-480-0111 |
| FRANCE . | 190-9911 | PORTUGAL | 05017-1-288 |
| GARON | 980-881 | ROMANIA | 81-800-4288 |
| GAMBIA | 80111 | "RUSSIA" (MOSCO | |
| GERIMANY ** | 0130-0010 | "SAN MARINO | 172-1011 |
| SHANA | . 8791 | SAUCI ARABIA | |
| GERALTAR'S | 8800 | SLOVELKIA | 89-420-80181 |
| CREECE | 80-808-1311 | SPAIN | 900-99-00-11 |
| HUNGARY 6 | 00-800-01111 | "SWEDEN " | 920-795-611 |
| CELAND | 999-001 | *SWITZERLAND | 155-98-11 |
| RELAND 1 | -809-550-098 | "TURKEY ! | 09-8801-2277 |
| STAEL | 177-186-2727 | "LARAB EMIRATE | |
| TULY | 172-1911 | ÜK | 0809-89-0011 |
| VORY COAST | 68-111-11 | ZAMBIA* | 08-695 |
| KENYA! | 0800-10 | ZIMBABWE | 110-899 |
| KUNNAT | 880-289 | | 110-033 |
| daines in bold lace per ones, require cons or cu ne. "Lumind archanily. R" first, untside Besst. mbars, call collect. 412 | folf populary-fin-country "Western portion "Next actionable from pa "Day only-180-0111 (553-7450, and 800. | y calling in addition to s includes Berlin and Late Milic phones. "Del "OZ" i non major Ylarage hotel | othe to the U.S. "Pay de CAnnait second less, outside Calon. "I Lifer additional acc |
| | | | |

puts the world at your fingertips. Just dial the AT&T access number of the country you're calling from for quick, clear connections back to the U.S. and lots of other countries. International imple is all part of The i Plan from AT&T

